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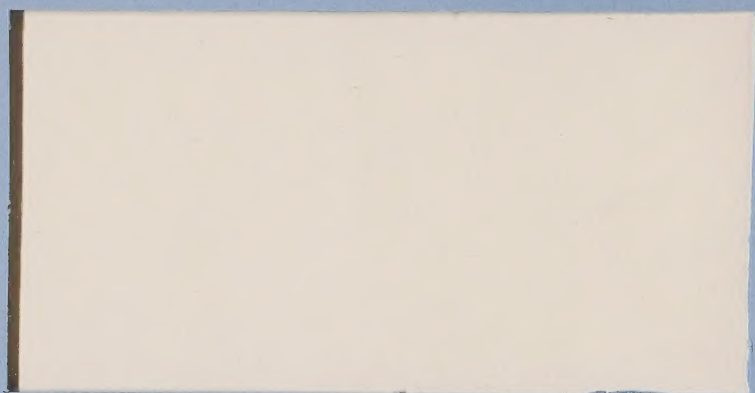
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REPORT OF THE
I.T.&C CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN APRIL 1980

Economic Policy and Analysis
Analyse et élaboration de la
politique économique



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We are grateful to the many business persons who
entrusted their forward vision to us and took time to discuss their
matters with us, thereby making the I.T.&C Capital Investment
Survey possible.

The appreciation is also extended to the officials of the
Bank of Canada, the Department of Finance, and the
Department of Industry, Trade and Commerce, and
the Industry Development Institute for their assistance in
conducting the survey. The Planning Branch of the
Department of Industry, Trade and Commerce is
responsible for the publication of this report.

Mr. A. Stohr, Manager, Capital Investment
Group, assigned the responsibility for preparing
this report.



June, 1980
Capital Expenditures Group
Department of Industry, Trade
and Commerce, Ottawa

ACKNOWLEDGEMENTS

We are grateful to the many business executives who entrusted their forward plans to us and took time to discuss relevant matters with us, thereby making the IT&C Capital Investment Intentions Survey possible.

Our appreciation is also extended to the officials of the Bank of Canada, the Department of Energy, Mines and Resources, the Department of Finance, the Department of Indian and Northern Affairs, the Industry Departments of the Provinces of Quebec and Manitoba, the Federal Business Development Bank, and the Industry and Policy Planning branches of the Department of Industry, Trade and Commerce for their assistance with the Survey.

Mr. A. Skahen, Analyst, Capital Expenditures Group, has been assigned the responsibility for answering detailed questions about this report.

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PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce covering some 300 large corporations carried out in April 1980. Companies covered account for about two-thirds of Canada's non-agricultural business outlays on new plant and equipment. Sectors excluded are housing, agriculture and fishing. It should be noted that the spending patterns of the surveyed firms may differ from those of smaller companies and from the spending patterns of the sectors not covered by the Survey. Results, therefore, cannot be extended directly to the economy as a whole.

The data in this report should be regarded as the investment intentions or plans of a sample of large firms at the time of the Survey. Caution is required in interpreting these data which may not give the entire investment picture. These investment projections may be altered, of course, to reflect changing domestic and foreign market conditions, financial circumstances, labour disputes, the degree of uncertainty in the investment climate, etc. Nevertheless, the data of this report are useful to show changes in planned outlays from that reported in an earlier survey, and investment intentions at the regional level, as well as factors underlying them.

EXECUTIVE SUMMARY

The Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce conducted in April 1980, covering some 300 large corporations, gives a revised reading on business capital spending for 1980. Several highlights from the current report are given below.

- i) The Survey results, after adjustments, suggest that the level of business spending in the total economy in 1980 will increase by 15-18 percent in current dollar terms. As reported earlier in the ITC press release of June 11, 1980, this represents a 5-7 percent advance in real terms which is lower than the 9 percent real growth in capital spending reported for 1979 in the recent National Accounts publication. It also suggests that for the second year in succession business capital formation will be one of the few dynamic areas in a generally sluggish economy.
- ii) Ontario is seen as an area of strength. Companies reporting in this Survey expect to increase their capital spending in Ontario by about 40 percent in current dollar terms (28 percent in constant 1979 dollars) in 1980 over the 1979 level. (Some downward adjustment should be applied to these figures to estimate increased capital spending for the entire business sector in Ontario). Transportation equipment, primary metals and forest product companies are the principal contributors to this increase.
- iii) The Survey also shows a strengthening of earlier investment plans for the 1981-1984 period compared to a similar Survey conducted in October 1979.

iv) The private sector, rather than the public sector, in the Survey panel, accounts for all the upward revision in spending intentions for 1980 between the October 1979 and April 1980 Surveys.

HIGHLIGHTS OF THE APRIL 1980 SURVEY

HIGHLIGHTS OF THE APRIL 1980 SURVEY

The Aggregate Picture

The April 1980 Survey* showed that the large corporations in the Survey panel continued to have relatively buoyant plans for capital spending in 1980.

In the Fall of 1979 the 300 large firms expected that their capital spending for 1980 would increase by about 19 percent in current dollars. (Unless otherwise stated, dollar levels and percent changes are based on current dollars). Currently the companies expect that their capital spending will increase by about 25 percent in 1980 up from the 19 percent anticipated in October 1979. This change is the result of both a downward revision of the 1979 level of spending (about -2.5 percent) and an upward revision of investment plans for 1980 of an equal amount between the October 1979 and the April 1980 surveys.

Responding firms expect their level of current dollar spending on new plant and equipment for 1980 to be about \$27.7 billion (Table 1). This is an increase of about \$700 million or 2.7 percent from the plans for 1980 reported by these same companies in October 1979.

Although the large firms covered in the Survey account for about two-thirds of Canada's non-agricultural business outlays on new plant and equipment, it should be noted that the spending patterns of the surveyed firms may differ from those of smaller companies and the sectors not covered in the Survey, i.e. agriculture and fishing, housing, institutions and government departments. Therefore, these

* See appendix for details on Survey coverage.

results cannot be extended directly to the economy as a whole. After adjustments, the results suggest that the realized increase in the level of real business spending on new plant and equipment in the Canadian economy (excluding housing) in 1980 may be in the 5-7 percent range. This is lower than the 9 percent (real) reported in the National Accounts for 1979 in this sector; but compares favourably with an annual average increase of about 1 percent reported in the National Accounts for the period 1976-1978 inclusive.

These most recent Survey results suggest that business capital investment, for the second year, will be one of the few dynamic areas in a generally sluggish economy.

Outlook for Manufacturing

The buoyant outlook for large firm capital spending in 1980 reported in the October Survey continues to be evident in the manufacturing sector. Spending by manufacturing firms in 1980 on new plant and equipment is now expected to be about \$7.0 billion in current dollars or 48 percent above the revised 1979 level of spending. This level of spending represents an increase of about \$195 million from the plans reported last October and can be attributed largely to forest product companies and several firms in the "other manufacturing" industry. Transportation equipment, primary metals and forest products show the largest year to year percentage as well as dollar increases for 1980. The particular strength in the transportation equipment sector is related to the automotive sector which is currently involved in product change-overs and new plant expansion (Table 1 and 2).

Outlook for Non-Manufacturing

Present spending plans for the non-manufacturing sector in 1980 are somewhat higher than reported in October 1979. An increase of 19 percent, to a level of about \$21 billion, is indicated for 1980

(Table 1 and 2). Notable strength is now apparent in oil and gas pipelines as well as in the mining industry. However, spending plans of electric utilities for 1980 continue to be weak, with an anticipated increase of 6.5 percent.

The large revision between the October 1979 and April 1980 surveys by oil and gas pipelines in their expected spending for 1980 is largely due to two companies, one which more than tripled its investment plans while another more than doubled its plans. These plans were considered tentative in earlier surveys and as such were not included by the companies.

Reasons for and Types of Changes in Investment

For 1979, the major factors or reasons for downward revisions in spending were better estimates, followed by carry-overs, domestic market demand and government regulations (Table 19). For 1980, reasons for upward changes in investment spending centred around better estimates, domestic market demand, carry-overs, and capacity requirements (Table 20).

For the 1981-84 period, the major factors for increasing spending intentions were domestic market demand, better estimates, expected rates of return and capacity requirements (Table 21). For further details, see Tables 18-27.

Cost of Capital Goods

The average cost adjustment factor, or inflation rate used by the large firms in their capital budgets for 1980 is now 9 percent over the cost level for 1979. This is an increase from the 8.6 percent reported for 1980 in the October 1979 Survey and from the percentage increase of 8.6 percent reported for 1979. The expected cost adjustment factors range from 8.3 percent for 1980 for the Atlantic region to 9.2 percent for the Prairie Region (Table 6).

On an industry basis, the average cost factors are provided in Table 7. Forest product companies and primary metal companies are expecting cost increases in the period 1980-1984 to be higher than does the manufacturing sector as a whole. Similarly, within the non-manufacturing sector, oil and gas pipelines and mining show a higher level of expected cost increases than the total non-manufacturing group. The sectors with higher than average expected cost increases broadly correspond to those with strong capital spending expectations for 1980.

Public Compared to Private Capital Spending

Capital spending in the public or government segment of the large firm panel, (i.e. crown corporations) is now expected to increase by 9 percent in 1980 compared with about 34 percent for the private sector (Table 11). Private spending on plant and equipment accounts for all of the upward revision of \$700 million to the investment plans for 1980 between the April and October surveys. Revisions to investment intentions by the public segment of the survey panel for 1980 amounted to a reduction of about \$200 million while the private sector expanded their intentions by about \$900 million - thus the \$700 million change. The public segment in the survey panel represents about 31 percent of the total capital spending for 1980 (Table 10). For 1979, the public and private sectors indicated downward revisions in the level of spending reported earlier of 3.4 percent and 1.9 percent respectively. For 1980, the private sector indicated a 5 percent between survey upward revision and the public sector about a 2 percent downward revision (Table 11).

On a regional basis the government portion of capital investments in 1980 range from 17 percent in the Prairies to 60 percent in Quebec (Table 10). Within the public sector, Ontario stands out as an area of strength with an expected year-over-year advance of 16 percent (Table 11). For 1979, within this sector, the

reported levels of investment were reduced from earlier estimates in all but the Atlantic region. For 1980, the expected spending in Quebec has been reduced substantially from that reported in the October 1979 Survey, while spending levels in the Atlantic and Ontario have been raised.

Within the private sector for 1980, Ontario again is the leader with an anticipated advance of 53 percent. For 1979, the reported levels of spending were reduced from those reported earlier in all but the Prairie region. In contrast, the expected level of spending for 1980, in all regions, has been increased.

Foreign versus Domestic Companies

Dividing the entire Survey panel into domestic majority owned and foreign majority owned firms, it was found that the former plan an increase of about 21 percent in their capital spending for 1980 compared with about 33 percent for foreign owned firms (Table 9). Domestic majority owned firms represent approximately 60 percent of total capital spending reported by the Survey panel while the foreign owned firms account for the remainder.

On a regional basis, the proportion of investment in a region associated with domestic majority owned firms ranges from a high of 85 percent in Quebec for 1980 to 44 percent in the Prairies (Table 8). Domestic firms show upward revisions in spending for 1980 for all areas but Quebec from that reported in October 1979. Foreign majority owned firms' spending for 1980 has been increased in all but the B.C. region (Table 9).

Tentative Medium Term Investments

Capital investments of about \$4.6 billion were not included by the large corporations in their capital spending budgets but were nevertheless thought to hold high potential for introduction over the

medium term. On a regional basis, Ontario (about \$1.5 billion or 33 percent of the total) and the British Columbia region (about \$1.2 billion or 27 percent of the total) would absorb the major proportions of these investments. The tentative investment in the B.C. region is about equally split between the manufacturing and non-manufacturing sectors. The manufacturing sector within Ontario and the non-manufacturing sector in the Prairies collectively account for almost 40 percent of the tentative investment plans (Table 14).

Factors Affecting Outlays

As noted in earlier surveys, federal government industry specific economic policies were the most often cited factor affecting both current and tentative outlays (Table 15). The cost of funds is a current concern as 62 of the 300 companies made reference to it. Expected cash flow and economic conditions in Canada were also deemed important as were other government's policies. Exchange rates, rates of return and expected sales abroad were less frequently mentioned than six months ago as factors affecting outlays.

Purpose of Investment

Of the 300 corporations in the Survey panel, 267 reported the breakdown of their capital spending by purpose; thus, about 85 percent of the total reported capital spending for 1980 was allocated to the various purpose categories. The larger portions of capital spending continues to be directed to new facilities at existing sites, however, there are some shifts occurring. For example, the proportion of capital spending for research and development has increased from 0.9 percent in 1979 to 1.4 percent in 1980 and the absolute dollar amount has doubled. This increase is mainly due to the oil and gas companies as they account for 67 percent of the increase from 1979 to 1980 in investment on research and development. The transportation equipment companies are responsible for 9 percent of the advance. For further details, see Tables 28, 29 and 30.

Medium Term Investment

A comparison of this Survey's results with those taken in October 1979 shows a strengthening of earlier investment plans for 1981 to 1984 in Canada as a whole in both the manufacturing and non-manufacturing sectors (Tables 12, 16 and 17). On a regional basis, changes in the levels of investment in Ontario, the Atlantic and Prairies regions compensate for downward changes in Quebec and the B.C. region (Table 13). Revisions in spending plans for the oil and gas companies in the Survey panel for Newfoundland were revised significantly upward. For Ontario and the Prairies, primary metal companies and mining companies (especially in Alberta) showed the largest revisions, respectively. For both Quebec and the B.C. region, increases in the expected level of spending by the manufacturing sector were more than offset by reduced expectations of the non-manufacturing sector.

Regional Perspectives

Atlantic Region

Spending on plant and equipment for 1980 by companies in the Survey panel which invest in the Atlantic region is now expected to be \$1.6 billion (current dollars). This current level of spending represents an increase of 12 percent from 1979, whereas in the October 1979 Survey these same companies expected a 6 percent advance. (Table 31)

Investment spending for 1980 by the manufacturing sector in the Atlantic region is expected to advance by 9.5 percent to a level of \$286 million. Within this sector the forest products and food & beverage sectors register the largest increases for 1980.

In the non-manufacturing sector for the Atlantic Region capital spending is expected to reach \$1,302 million, up \$60 million from October 1979 estimates. Increased spending intentions by electric utilities account for most of this improved outlook.

Crown corporations, which account for about 50 percent of total capital spending in the Atlantic region (Table 10), have increased their spending plans in the Atlantic region for 1980 by 9 percent from the level reported in October 1979. As such it is the government sector which accounts for the improved 1980 outlook as the private sector recorded very little change in investment plans for 1980 since the last Survey. (Table 33)

Of the 15 companies in the Survey panel with headquarters in the Atlantic, four identified a total of \$375 million in investment plans which were not included in their reported budgets during the April 1980 Survey. The manufacturing sector could be the recipient of 99 percent of this amount.

Quebec

The April 1980 Survey shows that the large corporations investing in plants and equipment in Quebec now expect to spend \$5.0 billion (current dollars) in 1980. This current level of spending represents a 9.4 percent increase over 1979 levels, but a decrease of 6.8 percent or \$360 million from October 1979 estimates for 1980 spending. (Table 35)

Capital spending for 1980 in Quebec by the manufacturing sector is expected to reach \$960 million, an increase of 21 percent over 1979. Primary metals and forest products continue to indicate the strongest year-over-year percentage increases; the food and beverages and the transportation equipment sectors report declines.

The increase in the spending plans of 7 percent in 1980 for the non-manufacturing sector in Quebec is well below the national average increase of 19 percent for this sector. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of crown corporations. All the broad non-manufacturing industry classifications for Quebec show year-to-year increases in 1980. The largest percentage increases are reported by the mining and oil companies. The mining companies reported increased levels of spending for both 1979 and 1980 which is in contrast to the oil and gas companies which reduced their levels for both years.

Crown corporations, which account for about three-fifths of the total capital spending in Quebec (Table 10), are expecting to increase spending in 1980 by only 0.5 percent. Private sector spending in Quebec which is expected to advance by 26 percent in 1980 provides the impetus to the overall spending increases of 9 percent.

Companies headquartered in Quebec are more optimistic about prospects for 1981 than they are about 1980. This is particularly true with respect to Canadian sales and business conditions as well as profits. (Table 38) In April 1980, Quebec headquartered companies reported considered investments of about \$562 million which were not included in their reported spending plans but were nevertheless thought to hold high potential for introduction over the medium term. (Table 14)

"Canadian federal government policies" and expected cash flow were the factors that were most frequently mentioned as affecting the spending plans of Quebec headquartered companies. (Table 15) An increase in the frequency of response indicating that expected cash flow is having a negative impact on investment plans by Quebec headquartered firms is noteworthy. For companies headquartered elsewhere this factor is less often cited. As is the case for all companies in the Survey, Quebec headquartered firms mentioned rates of

return and exchange rates less frequently than in the October 1979 Survey as factors affecting spending plans.

Ontario

Companies with plant and equipment investments in Ontario reported in the April 1980 Survey that they now expect their level of spending in 1980 to approach \$7.7 billion (current dollars), an increase of 40 percent over the revised 1979 level. (Table 39) In October 1979 these companies had expected to increase their spending by 28 percent. This current level represents an increase of \$370 million in spending plans for 1980 between the October 1979 and April 1980 Surveys.

Investment spending for 1980 in Ontario, by the manufacturing sector, is now expected to reach about \$3.4 billion, an increase of \$1.5 billion or 83 percent from the 1979 level. The transportation equipment, primary metals, and forest products sectors are still the main contributors to the manufacturing sector's advance, however, of these three industries only forest product companies reported increases for 1980 over earlier estimates.

The spending increases for 1980 of the non-manufacturing sector in Ontario at 18 percent is in line with the increase in this sector for Canada as a whole. Six months ago it was expected to show an increase of about 6 percent. The mining and electric utility companies are the principal contributors to the improved non-manufacturing sector outlook for 1980.

Private sector spending in Ontario for 1980 is expected to advance by 53 percent as compared with a 16 percent increase in the public segment of the business sector. (Table 41) Private sector spending on plant and equipment accounts for over 85 percent of the

year-to-year increase for 1980 as well as for about 55 percent of the total revision between the October and April Surveys in capital spending plans for 1980 in Ontario.

Foreign owned firms expect to increase spending in Ontario in 1980 by 75 percent while domestic firms anticipate increases of 27 percent. (Table 40) Strength for 1980, in the foreign owned sector, is centered in manufacturing industries especially in transportation equipment, forest products, and chemicals.

Companies with headquarters in Ontario are somewhat less optimistic about 1981 sales (domestic and export) than about 1980 sales, but they are more optimistic about Canadian business conditions for 1981. (Table 42)

Capital investments of about \$1.5 billion were not included in the capital spending plans of the Ontario headquartered corporations but were thought to hold high potential for introduction over the next few years. About 63 percent of this considered investment was reported by manufacturing firms, in particular, chemical and forest product companies.

In April 1980, the cost of funds was the factor most often cited by Ontario headquartered companies as having a negative affect on spending plans whereas, in October 1979, it was the expected cash flow (Table 15). Expected economic conditions abroad and foreign government policies seem to be more of a concern now for Ontario based companies than in October 1979.

Prairie Region

Capital spending for the Prairies in 1980 is expected to be about \$7.7 billion (current dollars), an increase of 22 percent from revised 1979 levels, and an increase of 7 percent or \$518 million from

that expected for 1980 back in October 1979. (Table 43) All of this \$518 million raise is due to the private segment of the Survey panel, mainly the non-manufacturing sector, which increased its spending intentions for the Prairies. For 1980 spending in Saskatchewan is expected to rise by 36 percent, that for Alberta by 17 percent while investment for Manitoba is advancing by 0.3 percent. Over 70 percent of the investment directed to the Prairies will be allocated to Alberta and as such, spending in Alberta dominates the overall Prairie picture.

Manufacturing spending in the Prairies is expected to advance by 3 percent in 1980. (Table 43) This increase is mainly due to increased spending intentions of the 'other manufacturing' companies. Chemical companies expect to spend 22 percent less in 1980 than in 1979. Spending by manufacturing firms in Manitoba and Saskatchewan is expected to advance by about 28 percent in 1980 while manufacturing spending in Alberta is expected to decline by 10 percent. (Tables 44 and 45)

Non-manufacturing spending in the Prairies at \$7.0 billion for 1980 shows an advance of 24 percent over revised 1979 levels. (Table 47) For Alberta, non-manufacturing spending for 1980, revised upwards from October 1979 anticipations, is now expected to advance by 21 percent. Strength is due to the expected increased spending by the oil and gas sector. (Table 45) Non-manufacturing spending, in Manitoba and Saskatchewan combined, is now expected to advance by 23 percent in 1980. This increase is due to the spending of oil and gas companies in Saskatchewan as well as oil and gas pipeline planned spending in Manitoba and Saskatchewan.

Private sector spending in 1980 for the Prairies is advancing by 23 percent as compared with 14 percent for the public segment of the business sector. The public or government sector since October 1979 has reduced its expected level of spending for 1980 while the private sector reported increased spending intentions (Table 47).

Foreign and domestic firms are expecting percentage increases in their capital spending in the Prairies for 1980, of 19 percent and 25 percent respectively. (Table 46)

Companies with headquarters in the Prairies have varied opinions about prospects for 1981. They are slightly more optimistic about domestic sales in 1981 but less optimistic about export sales. (Table 50)

Capital investments of about \$0.9 billion were not included in the capital spending plans of the Prairie headquartered companies but were thought to hold high potential for introduction over the medium term. About 6 percent of this amount is associated with manufacturing firms. (Table 14)

In April 1980, as was the case in October 1979, the factors most frequently mentioned as affecting capital spending plans were federal and provincial government policies. Concern was expressed, by companies in the oil and gas sector, with respect to export volumes, pricing, royalties, taxes, resource ownership, and regulatory burden and delays. (Table 15) Manpower shortages seems to be more of a concern now than in October 1979.

British Columbia and Northern Region

Spending intentions for 1980 in the British Columbia and Northern Region (including the Yukon and Northwest Territories) are expected to reach \$4.1 billion (current dollars), unchanged from earlier estimates. This current level of spending is 35 percent or \$1.0 billion above the revised 1979 level of \$2.1 billion. (Table 51)

Investment in the manufacturing sector in this region is expected to reach about \$1.2 billion in 1980, up \$412 million or 52 percent from the level in 1979. The forest products and primary metals sectors indicate the largest year-over-year percentage increases for 1980. However, the level of spending for 1980 by the

forest product companies has been reduced by about \$65 million from the October 1979 estimates while the primary metals companies plans have increased by over \$110 million.

Spending by non-manufacturing firms in the British Columbia and Northern Region at \$2.9 billion for 1980 shows an advance of 29 percent over revised 1979 levels. Mining oil and gas and trade, finance and other commercial companies report the largest year-to-year increases.

The private sector spending increase for 1980 is expected to be about 44 percent. (Table 53) Capital spending by the public segment of the business sector is expected to increase by about 9 percent.

Foreign owned firms investing in the British Columbia and Northern Region are expecting to increase spending by 30 percent in 1980. Domestic owned firms are recording higher increases for 1980 than the national average, as was the case for 1979, 40 percent compared to 21 percent. Foreign firms have reduced their expected level of spending for 1980 since October 1979 while the domestic firms have increased their spending plans. (Table 52)

Companies with headquarters in the British Columbia and Northern Region show more optimism for prospects in 1981 than for 1980 with respect to all qualitative factors, especially, profits, Canadian business conditions and domestic sales. (Table 54)

The British Columbia and Northern headquartered firms reported \$1.2 billion of capital investments which were not included in their reported budgets but were considered to hold high potential for implementation over the next few years. About 47 percent of this amount was reported by manufacturing firms. (Table 14)

Canadian federal government policies and the cost of funds were the factors most often mentioned as affecting spending plans by the firms in this region. (Table 15)

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1979 AND PLANS FOR 1980 -- CANADA

(Current Dollars Millions)

<u>Industry</u>	<u>1979</u> <u>Reported in</u> <u>Oct. 1979</u>	<u>1979</u> <u>Reported in</u> <u>Apr. 1980</u>	<u>1980</u> <u>Reported in</u> <u>Oct. 1979</u>	<u>1980</u> <u>Reported in</u> <u>Apr. 1980</u>
Food & Beverages	362.7	368.2	430.7	433.7
Forest Products	1,116.6	1,166.4	1,689.5	1,752.7
Primary Metals	860.0	839.2	1,331.2	1,363.5
Chemicals	646.0	621.3	651.5	680.3
Transportation Equip.	624.5	588.6	1,324.1	1,297.8
Other Manufacturing	1,191.2	1,135.2	1,366.4	1,459.6
<u>Total Manufacturing</u>	<u>4,801.0</u>	<u>4,718.9</u>	<u>6,793.4</u>	<u>6,987.6</u>
Mining Companies	1,020.1	1,004.6	1,556.2	1,646.7
Oil & Gas Companies	4,849.2	4,864.4	5,494.8	5,898.5
Oil & Gas Pipelines	725.7	647.0	667.2	1,055.4
Transp. & Storage	1,328.8	1,246.5	1,451.6	1,436.8
Communications	2,153.4	2,075.2	2,499.2	2,381.5
Electric Utilities	6,649.7	6,454.8	7,071.2	6,880.2
Trade, Finance & Other	1,140.4	1,118.0	1,466.6	1,448.0
Commercial				
<u>Total</u>				
<u>Non-Manufacturing</u>	<u>17,867.3</u>	<u>17,410.5</u>	<u>20,206.8</u>	<u>20,747.1</u>
<u>TOTAL</u>	<u>22,668.3</u>	<u>22,129.4</u>	<u>27,000.2</u>	<u>27,734.7</u>

* Only those firms which reported for the April 1980 and the October 1979
Surveys for the years 1979 and 1980 are used in this table, namely 299 firms.

TABLE 2

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1979 AND PLANS FOR 1980 -- CANADA

(Current Dollars Millions)

Industry	Revisions between April 1980 & October 1979 Surveys (Percent Change)		1980/79 Year to Year (Percent Change)	
	1979	1980	Reported in Oct. 1979	Reported in Apr. 1980
Food & Beverages	1.5	0.6	18.7	17.7
Forest Products	4.4	3.7	51.3	50.2
Primary Metals	- 2.5	2.4	54.7	62.4
Chemicals	- 3.9	4.4	0.8	9.4
Transportation Equip.	- 5.8	- 2.0	112.0	120.4
Other Manufacturing	- 4.8	6.8	14.7	28.5
<u>Total Manufacturing</u>	<u>- 1.8</u>	<u>2.8</u>	<u>41.4</u>	<u>48.0</u>
Mining Companies	- 1.6	5.8	52.5	63.9
Oil & Gas Companies	0.3	7.3	13.3	21.2
Oil & Gas Pipelines	-10.9	58.1	- 8.1	63.1
Transp. & Storage	- 6.2	- 1.1	9.2	15.2
Communications	- 3.7	- 4.8	16.0	14.7
Electric Utilities	- 3.0	- 2.8	6.3	6.5
Trade, Finance & Other Commercial	- 2.0	- 1.3	28.6	29.5
<u>Total</u>				
<u>Non-Manufacturing</u>	<u>- 2.6</u>	<u>2.6</u>	<u>13.0</u>	<u>19.1</u>
<u>TOTAL</u>	<u>- 2.4</u>	<u>2.7</u>	<u>19.1</u>	<u>25.3</u>

* Only those firms which reported for the April 1980 and the October 1979 Surveys for the years 1979 and 1980 are used in this table, namely 299 firms.

TABLE 3

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1979 AND PLANS FOR 1980 -- CANADA

(Constant 1979 \$ Millions)

Industry	1979 Reported in Oct. 1979	1979 Reported in Apr. 1980	1980 Reported in Oct. 1979	1980 Reported in Apr. 1980
Food & Beverages	362.7	368.2	398.3	395.0
Forest Products	1,116.6	1,166.4	1,549.4	1,600.0
Primary Metals	860.0	839.2	1,228.9	1,237.0
Chemicals	646.0	621.3	600.7	623.2
Transportation Equip.	624.5	588.6	1,224.3	1,193.5
Other Manufacturing	1,191.2	1,135.2	1,269.7	1,348.2
<u>Total Manufacturing</u>	<u>4,801.0</u>	<u>4,718.9</u>	<u>6,271.3</u>	<u>6,396.9</u>
Mining Companies	1,020.1	1,004.6	1,420.5	1,511.4
Oil & Gas Companies	4,849.2	4,864.4	5,030.0	5,383.3
Oil & Gas Pipelines	725.7	647.0	619.0	966.5
Transp. & Storage	1,328.8	1,246.5	1,329.3	1,312.2
Communications	2,153.4	2,075.2	2,319.8	2,201.9
Electric Utilities	6,649.7	6,454.8	6,535.4	6,333.2
Trade, Finance & Other Commercial	1,140.4	1,118.0	1,351.4	1,337.8
<u>Total Non-Manufacturing</u>	<u>17,867.3</u>	<u>17,410.5</u>	<u>18,605.4</u>	<u>19,046.3</u>
<u>TOTAL</u>	<u>22,668.3</u>	<u>22,129.4</u>	<u>24,876.7</u>	<u>25,443.2</u>

Only those firms which reported for the April 1980 and the October 1979
Surveys for the years 1979 and 1980 are used in this table, namely 299 firms.

TABLE 4

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1979 AND PLANS FOR 1980 -- CANADA

(Constant 1979 \$ Millions)

Industry	Revisions between April 1980 & October 1979 Surveys (Percent Change)		1980/79 Year to Year (Percent Change)	
	1979	1980	Reported in Oct. 1979	Reported in Apr. 1980
Food & Beverages	1.5	-0.9	9.8	7.2
Forest Products	4.4	3.2	38.7	37.1
Primary Metals	-2.5	0.6	42.8	47.4
Chemicals	-3.9	3.7	-7.1	0.3
Transportation Equip.	-5.8	-2.6	96.0	102.7
Other Manufacturing	-4.8	6.1	6.5	18.7
<u>Total Manufacturing</u>	<u>-1.8</u>	<u>2.0</u>	<u>30.6</u>	<u>35.5</u>
Mining Companies	-1.6	6.3	39.2	50.4
Oil & Gas Companies	0.3	7.0	3.7	10.6
Oil & Gas Pipelines	-10.9	56.1	-14.8	49.3
Transp. & Storage	-6.2	-1.3	0.0	5.2
Communications	-3.7	-5.1	7.7	6.1
Electric Utilities	-3.0	-3.1	-1.8	-1.9
Trade, Finance & Other	-2.0	-1.1	18.5	19.6
Commercial				
<u>Total</u>				
<u>Non-Manufacturing</u>	<u>-2.6</u>	<u>2.3</u>	<u>4.1</u>	<u>9.3</u>
<u>TOTAL</u>	<u>-2.4</u>	<u>2.2</u>	<u>9.7</u>	<u>14.9</u>

* Only those firms which reported for the April 1980 and the October 1979 Surveys for the years 1979 and 1980 are used in this table, namely 299 firms.

TABLE 5.A

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

(Current \$ Millions)

<u>Province</u>	<u>No. of Companies</u>	<u>1979 Reported in Oct. 1979</u>	<u>1979 Reported in Apr. 1980</u>	<u>1980 Reported in Oct. 1979</u>	<u>1980 Reported in Apr. 1980</u>
Newfoundland	35	403.8	382.7	391.1	414.6
Prince Edward Island	7	11.8	11.9	16.4	16.8
Nova Scotia	47	392.0	392.1	416.9	407.5
New Brunswick	37	545.8	558.8	558.8	632.7
Atlantic Provinces	90	1,434.5	1,417.8	1,517.7	1,587.7
Quebec	135	4,609.3	4,536.4	5,325.2	4,964.0
Ontario	189	5,698.8	5,473.3	7,286.4	7,654.0
Manitoba	67	434.5	428.4	431.2	429.9
Saskatchewan	69	801.0	773.8	979.0	1,053.1
Alberta	127	4,802.5	4,815.0	5,290.0	5,648.9
Prairie Region	167	6,397.0	6,349.2	7,208.3	7,726.1
British Columbia	120	2,697.3	2,618.0	3,642.4	3,604.7
Yukon	7	30.7	27.2	78.6	65.5
Northwest Territories	16	342.5	363.8	372.1	423.5
B.C. Region	131	3,134.6	3,073.2	4,139.7	4,147.5
CANADA	299	22,668.3	22,129.4	27,000.2	27,734.7

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals will not necessarily add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 5.B

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

(Percent Changes)

	Year-to-Year	Between Survey	
	Percent Change	Revisions	
	<u>1980/1979</u>	<u>1979</u>	<u>1980</u>
	(%)		(%)
Atlantic	11.9	-1.2	4.6
Quebec	9.4	-1.6	-6.8
Ontario	39.8	-4.0	5.0
Prairies	21.6	-0.8	7.1
B.C.	34.9	-2.0	0.1
Canada	25.3	-2.4	2.7

Note: Actual 1979 and revised intentions 1980.

Table 6

YEAR TO YEAR PERCENTAGE CHANGES ESTIMATED
IN THE COST OF CAPITAL GOODS REPORTED APRIL 1980 FOR:

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Atlantic	8.3	8.8	9.0	7.6	8.7
Quebec	8.7	7.9	7.1	7.0	6.9
Ontario	8.9	8.5	8.6	7.6	7.5
Prairies	9.2	8.2	8.3	8.1	8.0
B.C. & Northern	9.1	8.9	8.3	8.2	8.0
Canada	9.0	8.5	8.3	7.9	7.7

TABLE 7

COST ADJUSTMENT FACTORS 1979-1984

<u>INDUSTRY</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Food & Beverages	100.0	109.8	120.4	131.1	142.5	153.9
Forest Products	100.0	109.5	120.1	131.9	144.8	161.6
Primary Metals	100.0	110.2	120.2	131.2	142.2	152.3
Chemicals	100.0	109.1	119.2	127.8	139.6	151.1
Transportation Equipment	100.0	108.7	117.7	127.6	138.6	150.6
Other Manufacturing	100.0	108.3	116.4	125.1	134.1	144.3
TOTAL MANUFACTURING	100.0	109.2	119.0	129.7	140.8	153.1
Mining	100.0	108.9	118.3	128.8	139.2	149.7
Oil and Gas Companies	100.0	109.5	118.8	129.1	139.9	151.4
Oil and Gas Pipelines	100.0	109.2	118.6	127.6	137.5	147.3
Transportation & Storage	100.0	109.4	119.5	129.6	140.1	150.7
Communications	100.0	108.1	116.7	126.0	136.0	147.2
Electric Utilities	100.0	108.6	117.7	126.4	135.5	145.2
Trade, Finance and Other Commercial	100.0	108.2	117.0	126.8	134.5	144.2
TOTAL NON-MANUFACTURING	100.0	108.9	118.2	127.8	137.8	148.4
<u>TOTAL BUSINESS</u>	100.0	109.0	118.3	128.1	138.2	148.3

Table 8

DISTRIBUTION OF CAPITAL INVESTMENT BY
DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	<u>Domestic</u>		<u>Foreign</u>	
	<u>1979</u>	<u>1980</u>	<u>1979</u>	<u>1980</u>
	(%)		(%)	
Atlantic	73	77	27	23
Quebec	88	85	12	15
Ontario	74	67	26	33
Prairies	42	44	58	56
B.C. & Northern	51	52	49	48
Canada	65	62	35	38

Table 9

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

	<u>Year to Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1980/1979</u>	<u>1979</u>	<u>1980</u>
	(%)		(%)
<u>Domestic Majority Owned</u>			
Atlantic	17.2	10.5	4.6
Quebec	5.5	-1.4	-8.7
Ontario	27.4	-3.5	6.1
Prairies	25.3	2.1	9.2
B.C. & Northern	39.5	0.4	5.3
Canada	20.8	-1.4	2.6
<u>Foreign Majority Owned</u>			
Atlantic	-2.6	-5.6	4.4
Quebec	38.4	-3.5	5.7
Ontario	75.3	-5.5	2.7
Prairies	18.9	-2.8	5.6
B.C.	30.2	-4.3	-5.0
Canada	33.4	-4.2	2.8

Note: Actual 1979 and revised intentions 1980.

See Table 9A for the dollar levels for 1979 and 1980.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED
LARGE COMPANIES 1979-1980

(current \$ millions)

DOMESTIC OWNED COMPANIES/FOREIGN OWNED COMPANIES

ALL INDUSTRIES

<u>DOMESTIC</u>	<u>1979</u>	<u>1980</u>
Atlantic	1,038	1,219
Quebec	4,007	4,231
Ontario	4,054	5,166
Prairies	2,683	3,364
B.C. & Northern	1,557	2,173
Canada	14,291	17,273
<u>FOREIGN</u>		
Atlantic	379	370
Quebec	530	733
Ontario	1,419	2,488
Prairies	3,666	4,362
B.C. & Northern	1,516	1,975
Canada	7,838	10,462

Note: Actual 1979 and revised intentions 1980.

Table 10

DISTRIBUTION OF CAPITAL INVESTMENT
BY PUBLIC AND PRIVATE FIRMS
WITHIN REGIONS

	Public		Private	
	1979	1980	1979	1980
	(%)		(%)	
Atlantic	51	49	49	51
Quebec	65	60	35	40
Ontario	36	30	64	70
Prairies	19	17	81	83
B.C. & Northern	26	21	74	79
Canada	36	31	64	69

Table 11

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

	Year to Year Percent Change	Between Survey Revisions	
	1980/1979	1979	1980
	(%)	(%)	
<u>Public Majority Owned</u>			
Atlantic	7.9	0.5	9.4
Quebec	0.5	-2.2	-11.6
Ontario	16.0	-4.7	7.7
Prairies	14.1	-4.5	-1.8
B.C. & Northern	9.1	-1.4	-0.9
Canada	9.1	-3.4	-2.2
<u>Private Majority Owned</u>			
Atlantic	16.2	-2.9	0.2
Quebec	26.2	-0.6	1.3
Ontario	53.0	-3.6	3.9
Prairies	23.3	0.1	9.2
B.C. & Northern	44.0	-2.2	0.4
Canada	34.4	-1.9	5.1

Note: Actual 1979 and revised intentions 1980.

See Table 11.A for the dollar levels for 1979 and 1980.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED
LARGE COMPANIES 1979-1980

(current \$ millions)

PRIVATE COMPANIES/PUBLIC COMPANIES

ALL INDUSTRIES

<u>Public</u>	<u>1979</u>	<u>1980</u>
Atlantic	726	784
Quebec	2,969	2,984
Ontario	1,957	2,270
Prairies	1,176	1,343
B.C. & Northern	800	874
Canada	7,987	8,720
 <u>Private</u>		
Atlantic	692	804
Quebec	1,568	1,980
Ontario	3,517	5,384
Prairies	5,173	6,383
B.C. & Northern	2,273	3,274
Canada	14,142	19,014

Note: Actual 1979 and revised intentions 1980.

TABLE 12
CAPITAL INVESTMENT INTENTIONS
OF SELECTED LARGE COMPANIES
1979-1984

(current \$ millions)

<u>SURVEY/REGION</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
<u>April 1980</u>							
Atlantic (63)	1,194	1,236	1,283	1,364	1,248	1,186	7,511
Quebec (107)	4,218	4,555	4,580	4,625	5,397	5,920	29,295
Ontario (140)	4,828	6,445	7,403	7,469	7,187	6,735	40,067
Prairies (122)	5,679	6,771	8,362	8,785	8,964	9,226	47,787
B.C. & Northern(102)	2,710	3,666	3,890	4,423	4,843	5,044	24,576
Canada (247)	20,251	24,854	28,058	29,258	30,434	31,072	163,927
<u>October 1979</u>							
Atlantic (63)	1,202	1,162	1,001	977	976	1,049	6,367
Quebec (107)	4,274	4,847	4,796	5,110	5,172	5,539	29,738
Ontario (140)	4,994	6,154	6,567	6,309	5,943	5,751	35,718
Prairies (122)	5,745	6,252	7,042	7,655	7,992	8,293	42,979
B.C. & Northern(102)	2,790	3,616	3,867	4,423	4,914	5,000	24,610
Canada (247)	20,758	24,145	25,802	27,125	27,997	28,584	154,411

Note: Actual 1979, and intentions 1980-84. Only those firms which reported for the October 1979 and April 1980 Surveys for the years 1979-1984 (each and every year) are used in this table, i.e. a matched panel. The number of reporting companies is provided in brackets after the name of each region. See Appendix, point (1) for the explanation of matching.

Table 13

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

(Percent Changes)

Between Survey Revisions

	<u>1979 - 1980</u>	<u>1981 - 1984</u>	<u>1979 - 1984</u>
Atlantic	2.8	26.9	18.0
Quebec	-3.8	-0.5	-1.5
Ontario	1.1	17.2	12.2
Prairies	3.8	14.1	11.2
B.C. & Northern	-0.5	0.0	-0.1
Canada	0.4	8.5	6.2

Table 14

CONSIDERED INVESTMENT
Percent Distribution

<u>Companies with H.Q. in:</u>	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Atlantic (4 of 15)	8.1	0.1	8.1
Quebec (5 of 50)	1.5	10.7	12.2
Ontario (16 of 145)	20.9	12.0	32.9
Prairies (8 of 57)	1.3	18.7	20.0
B.C. & Northern (8 of 33)	12.6	14.1	26.8
All Companies (41 of 300)	44.4	55.6	100.0 (\$4610)

Note: The number of reporting companies is provided in brackets.

TABLE 15

FACTORS REPORTED AS AFFECTING
CURRENT AND CONSIDERED
INVESTMENT SPENDING

(Frequency of Response)

FACTOR/REGION OF H.Q.	ATLANTIC		QUEBEC		ONTARIO		PRAIRIES		B.C. NORTHERN		TOTAL	
	P80	S80	P80	S80	P80	S80	P80	S80	P80	S80	P80	S80
Cdn. Fed. Gov't Policies	2	2	15	12	29	29	14	18	11	7	71	68
Other Cdn. Gov't Policies	3	1	9	10	21	21	11	12	11	3	55	47
For. Gov't Policies	2	1	3	4	7	14	1	3	-	3	13	25
Exchange Rates	1	1	8	3	24	20	7	6	6	3	46	33
Non-Tariff Barriers Canada	-	-	1	-	3	1	1	-	-	-	5	1
Cdn. Tariffs Too High	1	1	-	-	-	-	-	-	-	-	1	1
Cdn. Tariffs Too Low	-	-	2	1	-	1	-	-	-	-	2	2
Barriers Abroad	-	-	1	-	3	1	1	-	1	1	6	2
Other Trading Factors	-	-	1	-	4	3	-	-	-	-	5	3
Expected Cash Flow	3	3	9	12	38	29	9	6	8	5	67	55
Rates of Return	2	1	11	5	30	28	10	4	9	-	62	38
Other Internal Fin. Cond.	2	1	3	2	5	9	3	-	1	-	14	12
Cost of Funds	2	4	7	8	30	34	9	10	7	6	55	62
Availability of Funds	-	-	6	2	8	10	-	1	3	4	17	17
Other External Fin. Cond.	-	-	1	1	-	3	1	-	-	-	2	4
Other Fin. & Mon. Factors	-	-	-	1	1	3	-	1	1	-	2	5
Raw Material Shortages	1	-	5	3	7	8	1	2	7	5	21	18
Mach. & Equip. Shortages	-	-	1	1	1	1	1	2	-	-	3	4
Manpower Shortages	1	1	2	-	5	5	4	7	2	1	14	14
Labour Problems	-	-	4	1	11	6	-	2	1	-	16	9
Expected Sales in Canada	3	3	4	4	24	25	5	5	1	2	37	39
Expected Sales Abroad	1	-	6	3	16	13	7	5	3	3	33	24
Expected Econ. Conditions in Canada	2	1	6	8	22	28	6	3	1	5	37	45
Expected Econ. Conditions Abroad	1	1	5	5	9	17	-	1	7	3	22	27
Other Factors	-	-	1	2	3	4	3	2	-	-	7	8
Sample Size	14	15	52	50	140	145	54	57	32	33	292	300

P80 = October 1979 Survey

S80 = April 1980 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
1979-84 -- AS REPORTED IN CURRENT DOLLARS
FOR THE APRIL, 1980 SURVEY

(1979 = 100.0)

<u>Industry</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Food & Beverages	100.0	119.7	114.0	104.3	95.4	94.0
Forest Products	100.0	157.4	189.7	176.2	152.9	160.6
Primary Metal	100.0	162.5	207.9	189.5	165.6	153.4
Chemicals	100.0	109.5	136.5	157.5	146.1	109.6
Transportation Equip.	100.0	193.4	104.6	82.6	116.7	82.4
Other Manufacturing	100.0	117.5	123.8	119.8	118.6	120.3
<u>Total Manufacturing</u>	<u>100.0</u>	<u>142.5</u>	<u>158.1</u>	<u>150.8</u>	<u>140.0</u>	<u>130.2</u>
Mining Companies	100.0	171.3	190.5	176.7	135.5	160.0
Oil & Gas Companies	100.0	119.9	141.2	166.0	181.0	188.6
Oil & Gas Pipelines	100.0	162.5	197.5	127.5	130.2	108.3
Transp. & Storage	100.0	115.0	170.6	167.3	178.6	169.1
Communications	100.0	114.8	122.7	124.1	127.4	137.9
Electric Utilities	100.0	106.6	113.7	127.3	145.7	152.4
Trade, Finance & Other						
Commercial	100.0	126.8	136.9	135.6	118.7	122.3
<u>Total</u>						
<u>Non-Manufacturing</u>	<u>100.0</u>	<u>118.3</u>	<u>134.2</u>	<u>143.1</u>	<u>152.6</u>	<u>158.6</u>
<u>TOTAL</u>	<u>100.0</u>	<u>122.7</u>	<u>138.6</u>	<u>144.5</u>	<u>150.3</u>	<u>153.4</u>

* Only those firms which reported for the October 1979 and again for April 1980 Survey for the years 1979-84 (each and every year) are used in this table, namely 246 firms.

TABLE 17

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
1979-84 -- AS REPORTED IN CURRENT DOLLARS
FOR THE OCTOBER, 1979 SURVEY

(1979 = 100.0)

<u>Industry</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Food & Beverages	100.0	125.2	110.0	100.6	88.0	95.5
Forest Products	100.0	146.7	168.9	147.6	128.2	126.3
Primary Metal	100.0	154.8	177.9	167.3	142.5	136.9
Chemicals	100.0	100.9	133.9	124.7	121.5	108.3
Transportation Equip.	100.0	200.3	93.0	79.2	102.6	87.9
Other Manufacturing	100.0	109.7	106.8	107.3	107.9	113.5
<u>Total Manufacturing</u>	<u>100.0</u>	<u>136.1</u>	<u>140.9</u>	<u>130.2</u>	<u>120.9</u>	<u>117.3</u>
Mining Companies	100.0	156.5	179.5	156.6	127.5	137.2
Oil & Gas Companies	100.0	111.5	124.1	144.5	161.0	167.1
Oil & Gas Pipelines	100.0	91.0	78.4	93.9	96.8	93.4
Transp. & Storage	100.0	107.5	160.6	159.7	186.5	171.7
Communications	100.0	116.0	121.9	126.1	131.1	143.2
Electric Utilities	100.0	106.3	108.5	120.6	126.1	129.8
Trade, Finance & Other						
Commercial	100.0	126.6	123.9	120.3	111.8	115.5
<u>Total</u>						
<u>Non-Manufacturing</u>	<u>100.0</u>	<u>112.0</u>	<u>120.7</u>	<u>130.8</u>	<u>138.0</u>	<u>142.2</u>
<u>TOTAL</u>	<u>100.0</u>	<u>116.3</u>	<u>124.3</u>	<u>130.7</u>	<u>134.9</u>	<u>137.7</u>

* Only those firms which reported for the October 1979 and again for April 1980 Survey for the years 1979-84 (each and every year) are used in this table, namely 246 firms.

TABLE 18

TYPES OF CHANGES IN PLANS

(Percent Distribution of Response)

<u>Type of Change</u>	<u>1979</u>	<u>1980</u>	<u>1981-1984</u>
Abandoned Plans	2.1	2.5	2.7
Deferred Plans	14.8	9.4	7.3
Reduced Existing Plans	14.8	12.7	5.7
Expanded Existing Plans	10.3	19.1	17.8
Introduced New Plans	6.4	12.7	19.3
Brought Forward Plans from Future Years	4.8	7.2	6.0
Re-introduced Deferred Plans	0.3	3.9	4.2
No Change in Plans	45.5	31.0	35.6
Not Specified	0.9	1.4	1.2
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Number of Responses	330	361	331
Number of Companies	251	251	232

TABLE 19
REASONS FOR CHANGES IN PLANS

1979

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand-Domestic	6.5	5.0	0.8	12.3
Market Demand-Foreign	1.3	1.0	-	2.2
Capacity	3.0	1.5	-	4.5
Rate of Return	1.5	2.0	-	3.5
Financing - External	-	1.0	-	1.0
Financing - Internal	2.0	1.8	-	3.8
Costs - Labour	1.3	0.3	-	1.5
Costs - Other	1.0	0.3	-	1.2
Strikes	-	1.0	-	1.0
Government Regulations	0.5	3.8	0.3	4.5
Better Estimates	7.8	13.3	1.3	22.3
Carry-overs	2.3	9.3	0.3	11.8
Other Reasons	3.8	4.0	0.5	8.2
Not Specified	5.8	5.3	11.3	22.2
TOTAL	<u>36.5</u>	<u>49.3</u>	<u>14.3</u>	<u>100.0</u>
Number of Responses	146	197	57	400
Number of Companies	76	122	53	251

TABLE 20
REASONS FOR CHANGES IN PLANS

1980

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand-Domestic	8.1	7.4	0.4	15.9
Market Demand-Foreign	3.2	1.5	0.2	4.9
Capacity	5.5	2.3	-	7.9
Rate of Return	2.3	2.3	-	4.7
Financing - External	0.4	1.1	-	1.5
Financing - Internal	1.7	0.4	0.2	2.3
Costs - Labour	1.1	-	0.4	1.5
Costs - Other	2.5	1.1	0.2	3.8
Strikes	-	0.4	-	0.4
Government Regulations	2.1	1.5	0.4	4.0
Better Estimates	10.2	7.0	1.1	18.3
Carry-overs	7.4	3.8	0.4	11.7
Other Reasons	4.2	5.3	0.2	9.8
Not Specified	4.5	1.9	7.0	13.4
TOTAL	<u>53.3</u>	<u>36.1</u>	<u>10.6</u>	<u>100.0</u>
Number of Responses	251	170	50	471
Number of Companies	124	84	43	251

TABLE 21
REASONS FOR CHANGES IN PLANS

1981 - 1984

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand-Domestic	14.7	5.4	0.5	20.6
Market Demand-Foreign	5.0	1.8	0.2	7.0
Capacity	5.4	2.7	1.4	9.5
Rate of Return	6.1	2.0	0.2	8.4
Financing - External	0.5	0.2	-	0.7
Financing - Internal	1.8	0.5	0.2	2.5
Costs - Labour	0.9	-	0.2	1.1
Costs - Other	2.0	-	0.2	2.3
Strikes	0.2	-	-	0.2
Government Regulations	3.4	-	0.5	3.9
Better Estimates	7.7	2.7	1.8	12.2
Carry-overs	2.5	1.4	0.2	4.1
Other Reasons	5.4	1.8	0.5	7.7
Not Specified	5.9	2.5	11.3	19.7
TOTAL	<u>61.7</u>	<u>21.1</u>	<u>17.2</u>	<u>100.0</u>
Number of Responses	272	93	76	441
Number of Companies	121	49	62	232

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1979

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	3.6	3.0	1.0	1.0	.5	-	.5	.5	10.2
Market Demand-Foreign	-	1.5	-	-	.5	-	-	-	-	2.0
Capacity	-	.5	1.5	.5	.5	-	-	-	-	3.0
Rate of Return	.5	1.5	1.5	.5	-	-	-	-	-	4.1
Financing - External	-	1.5	-	-	-	-	-	-	.5	2.0
Financing - Internal	-	2.5	1.0	-	-	-	-	-	-	3.6
Costs - Labour	-	-	-	.5	-	-	-	-	-	0.5
Costs - Other	.5	-	-	-	-	-	-	-	-	0.5
Strikes	1.0	.5	.5	-	-	-	-	-	-	2.0
Government Regulations	.5	5.1	1.5	.5	-	-	-	-	-	7.6
Better Estimates	-	2.0	6.6	2.0	1.0	-	-	15.2	-	26.9
Carry-overs	-	6.1	9.6	-	-	-	-	3.0	-	18.8
Other Reasons	1.0	4.6	1.5	-	-	-	-	1.0	-	8.1
Not Specified	-	.5	.5	-	-	-	-	9.6	-	10.7
TOTAL	3.6	29.9	27.4	5.1	3.0	0.5	-	29.4	1.0	100.0

Number of Responses 197

Number of Companies 122

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1979

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	1.4	1.4	2.1	4.1	4.1	3.4	.7	-	-	17.8
Market Demand-Foreign	-	-	-	-	1.4	2.1	-	-	-	3.4
Capacity	-	-	1.4	2.7	1.4	2.7	-	-	-	8.2
Rate of Return	.7	-	-	1.4	2.1	-	-	-	-	4.1
Financing - External	-	-	-	-	-	-	-	-	-	-
Financing - Internal	-	1.4	.7	1.4	.7	1.4	-	-	-	5.5
Costs - Labour	-	-	-	2.1	-	-	-	1.4	-	3.4
Costs - Other	-	-	-	.7	-	-	-	1.4	.7	2.7
Strikes	-	-	-	-	-	-	-	-	-	-
Government Regulations	-	.7	-	-	.7	-	-	-	-	1.4
Better Estimates	-	-	1.4	6.2	.7	.7	-	12.3	-	21.2
Carry-overs	-	.7	.7	2.1	.7	.7	-	1.4	-	6.2
Other Reasons	-	-	-	1.4	4.1	2.1	-	2.7	-	10.3
Not Specified	-	-	-	1.4	-	.7	-	13.7	-	15.8
TOTAL	2.1	4.1	6.2	23.3	15.8	13.7	.7	33.6	0.7	100.0

Number of Responses 146

Number of Companies 76

TABLE 24

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1980

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	1.2	4.1	7.1	1.8	3.5	1.8	.6	-	.6	20.6
Market Demand-Foreign	-	2.4	1.2	-	-	.6	-	-	-	4.1
Capacity	-	1.2	.6	1.2	2.4	1.2	-	-	-	6.5
Rate of Return	1.8	2.4	1.2	-	.6	-	.6	-	-	6.5
Financing - External	-	1.8	.6	-	-	-	-	-	.6	2.9
Financing - Internal	.6	.6	-	-	-	-	-	-	-	1.2
Costs - Labour	-	-	-	-	-	-	-	-	-	-
Costs - Other	-	1.2	.6	-	.6	-	-	-	.6	2.9
Strikes	.6	-	.6	-	-	-	-	-	-	1.2
Government Regulations	-	1.2	1.8	-	-	.6	-	.6	-	4.1
Better Estimates	-	3.5	5.9	.6	1.2	-	-	8.2	-	19.4
Carry-overs	-	2.4	5.3	.6	.6	.6	-	1.2	-	10.6
Other Reasons	.6	4.1	5.3	.6	1.2	2.4	-	.6	-	14.7
Not Specified	-	-	.6	.6	-	.6	-	3.5	-	5.3
TOTAL	4.7	24.7	30.6	5.3	10.0	7.6	1.2	14.1	1.8	100.0

Number of Responses 170

Number of Companies 84

TABLE 25

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1980

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	.8	.4	.4	5.6	4.4	2.4	.4	.8	-	15.1
Market Demand-Foreign	-	-	-	1.6	2.8	1.6	-	-	-	6.0
Capacity	-	-	.4	3.6	4.0	1.6	.4	.4	-	10.4
Rate of Return	.8	.8	-	.8	1.6	.4	-	-	-	4.4
Financing - External	-	-	.4	-	-	-	-	-	.4	0.8
Financing - Internal	-	.4	-	.8	.8	.4	.8	-	-	3.2
Costs - Labour	-	-	-	1.2	-	-	.4	.4	-	2.0
Costs - Other	-	-	-	2.4	.8	-	-	1.6	-	4.8
Strikes	-	-	-	-	-	-	-	-	-	-
Government Regulations	.4	.4	-	.8	1.2	.8	-	.4	-	4.0
Better Estimates	-	.4	1.2	5.2	.8	1.2	1.6	8.4	.4	19.1
Carry-overs	-	-	1.2	6.0	.8	.4	2.8	2.4	.4	13.9
Other Reasons	-	-	-	2.4	3.2	.8	-	1.6	-	8.0
Not Specified	-	-	.4	2.4	.4	-	-	5.2	-	8.4
TOTAL	2.0	2.4	4.0	32.7	20.7	9.6	6.4	21.1	1.2	100.0

Number of Responses 251

Number of Companies 124

TABLE 26

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981-84

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	2.2	6.5	5.4	2.2	7.5	1.1	-	1.1	-	25.8
Market Demand-Foreign	1.1	2.2	1.1	1.1	2.2	-	-	1.1	-	8.6
Capacity	1.1	2.2	1.1	3.2	4.3	1.1	-	-	-	12.9
Rate of Return	1.1	3.2	3.2	2.2	-	-	-	-	-	9.7
Financing - External	1.1	-	-	-	-	-	-	-	-	1.1
Financing - Internal	-	-	2.2	-	-	-	-	-	-	2.2
Costs - Labour	-	-	-	-	-	-	-	-	-	-
Costs - Other	-	-	-	-	-	-	-	-	-	-
Strikes	-	-	-	-	-	-	-	-	-	-
Government Regulations	-	-	-	-	-	-	-	-	-	-
Better Estimates	-	1.1	3.2	-	1.1	-	-	7.5	-	12.9
Carry-overs	-	1.1	1.1	2.2	1.1	-	-	1.1	-	6.5
Other Reasons	-	3.2	1.1	-	1.1	-	-	3.2	-	8.6
Not Specified	-	-	2.2	-	-	-	-	9.7	-	11.8
TOTAL	6.5	19.4	20.4	10.8	17.2	2.2	-	23.7	-	100.0

Number of Responses 93

Number of Companies 49

TABLE 27

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981-84

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	1.1	1.1	-	6.6	10.7	2.2	1.8	.4	-	23.9
Market Demand-Foreign	-	.4	-	2.2	4.4	1.1	-	-	-	8.1
Capacity	-	-	.4	3.7	2.2	1.5	.7	-	.4	8.8
Rate of Return	.4	1.5	.4	2.6	4.0	.4	.7	-	-	9.9
Financing - External	-	-	-	-	-	-	.4	-	.4	0.7
Financing - Internal	-	.4	-	.4	1.1	.7	.4	-	-	2.9
Costs - Labour	-	-	-	.7	-	-	.4	.4	-	1.5
Costs - Other	-	.4	.4	.7	.7	.4	-	.7	-	3.3
Strikes	-	-	-	.4	-	-	-	-	-	0.4
Government Regulations	.4	.4	-	1.5	1.1	1.8	.4	-	-	5.5
Better Estimates	-	.7	-	1.8	.7	1.1	1.1	7.0	-	12.5
Carry-overs	-	.4	-	1.8	.4	-	.7	.7	-	4.0
Other Reasons	.4	.4	.4	.7	5.5	1.1	-	.4	-	8.8
Not Specified	-	-	-	2.2	.7	-	.4	6.3	-	9.6
TOTAL	2.2	5.5	1.5	25.4	31.6	10.3	7.0	15.8	0.8	100.0

Number of Responses 272

Number of Companies 121

Table 28

TOTAL CAPITAL EXPENDITURES
BY PURPOSE

	<u>Number of Reporting Companies</u>	<u>1979</u> (\$ Millions)	<u>1980</u>
Research and Development	82	158.1	329.4
Pollution Abatement	110	516.6	639.5
Working Environment	93	102.8	138.2
Expansion of Facilities - Existing Sites	191	5,333.8	7,026.4
Upgrading & Replacement of Existing Facilities	217	3,017.5	3,975.0
Expansion of Facilities - New Sites	118	7,458.2	8,388.9
Other	87	1,735.2	2,556.3
TOTAL	267	18,322.2	23,053.7

Note: Actual 1979 and revised intentions 1980.

TABLE 29

TOTAL CAPITAL EXPENDITURES
BY PURPOSE

(Percent Distribution* of Total)

	<u>Manufacturing</u>		<u>Non-Manufacturing</u>		<u>Total</u>	
	<u>1979</u>	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>	<u>1980</u>
Research and Development	1.3	1.4	0.7	1.4	0.9	1.4
Pollution Abatement	3.4	4.0	2.6	2.3	2.8	2.8
Working Environment	1.2	1.0	0.4	0.4	0.6	0.6
Expansion of Facilities - Existing Sites	33.2	35.3	27.9	28.7	29.1	30.5
Upgrading & Replacement of Existing Facilities	36.7	33.4	10.6	11.3	16.5	17.2
Expansion of Facilities - New Sites	13.1	9.7	48.7	46.2	40.7	36.4
Other	11.1	15.2	9.0	9.6	9.5	11.1
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

* Percentages may not add to 100% due to rounding.

TABLE 30

CAPITAL EXPENDITURES
BY PURPOSE

(Year to Year Percent Change in Level of Spending)

	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Research and Development	62.6	131.9	108.3
Pollution Abatement	76.0	4.1	23.7
Working Environment	29.1	39.2	34.4
Expansion of Facilities - Existing Sites	60.9	21.6	31.7
Upgrading & Replacement of Existing Facilities	37.6	25.8	31.7
Expansion of Facilities - New Sites	11.3	12.5	12.4
Other	106.4	26.2	47.3
TOTAL*	51.1	18.5	25.8

* The year-to-year changes in total investment here are different from those reported on Table 2. This is due to differences in coverage.

TABLE 31

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

ATLANTIC REGION

(Current \$ Millions)

	Year to Year		Between Survey	
	Percentage		Revisions (%)	
	Change		1979	1980
	1979	1980		
Manufacturing	261(4719)	268(6988)	6.5(-1.8)	1.9(2.8)
Non-manufacturing	1157(17410)	1302(20747)	-2.8(-2.6)	5.2(2.6)
<u>Total</u>	1418(22129)	1588(27735)	-1.2(-2.4)	4.6(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	<u>Year-to-Year</u> <u>Percent Change</u>	<u>Between Survey</u> <u>Revisions</u>	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u>
<u>Foreign Majority Owned</u>			
Manufacturing	-20.2(47.6)	7.0(-3.2)	18.0(0.8)
Non-Manufacturing	6.4(26.8)	-11.0(-4.6)	0.0(3.9)
<u>Total</u>	- 2.6(33.4)	-5.6(-4.2)	4.4(2.8)
<u>Domestic Majority Owned</u>			
Manufacturing	38.1(48.5)	5.9(0.0)	-5.3(5.2)
Non-Manufacturing	14.2(15.7)	-0.3(-1.7)	6.6(2.0)
<u>Total</u>	17.2(20.8)	0.5(-1.4)	4.6(2.6)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 33

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Total Government</u>			
Majority Own.	7.9(9.1)	0.5(-3.4)	9.4(-2.2)
<u>Total Private Majority Own.</u>	16.2(34.4)	-2.9(-1.9)	0.2(5.1)
Manufacturing	14.3(50.3)	6.8(-1.7)	3.2(3.0)
Non-manufacturing	17.1(26.9)	-7.3(-1.9)	-1.2(6.3)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 34

EXPECTATIONS FOR 1979 AND 1980
BY COMPANIES HEADQUARTERED IN THE ATLANTIC REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	75.0(72.9)	16.6(17.4)	8.3(9.6)	75.0(75.1)	25.0(20.8)	- (4.0)
Export Sales	85.7(65.2)	14.2(20.1)	- (14.6)	71.4(56.1)	14.2(32.2)	14.2(11.6)
Profits	54.5(63.3)	36.3(18.3)	9.0(18.3)	54.5(64.8)	36.3(25.7)	9.0(9.3)
Corporate Employment						
in Canada	25.0(44.8)	75.0(46.5)	- (8.6)	33.3(46.6)	58.3(46.2)	8.3(7.0)
Corporate Financial						
Conditions	8.3(39.3)	83.3(37.6)	8.3(23.0)	0.0(46.8)	91.6(39.1)	8.3(13.9)
Canadian Business						
Conditions	8.3(10.5)	33.3(39.2)	58.3(50.2)	25.0(30.5)	33.3(40.2)	41.6(29.1)
Foreign Investment						
Climate	33.3(25.0)	33.3(50.9)	33.3(24.0)	33.3(36.1)	33.3(50.9)	33.3(12.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 15 firms in the Survey panel with headquarters in the Atlantic Region.

Table 35

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

QUEBEC

(Current \$ Millions)

	Year-to-Year			
	Percentage		Between Survey	
	Change		Revisions (%)	
	1979	1980	1979	1980
Manufacturing	791(4719)	958(6988)	- 0.5(-1.8)	-1.2(2.8)
Non-manufacturing	3745(17410)	4006(20747)	- 1.9(-2.6)	-8.1(2.6)
<u>Total</u>	4536(22129)	4964(27735)	- 1.6(-2.4)	-6.8(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

Table 36

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

QUEBEC

	<u>Year-to-Year Percent Changes</u>	<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	26.4(47.6)	- 1.8(-3.2)	4.4(0.8)
Non-Manufacturing	53.2(26.8)	- 5.5(-4.6)	7.1(3.9)
<u>Total</u>	38.4(33.4)	- 3.5(-4.2)	5.7(2.8)
<u>Domestic Majority Owned</u>			
Manufacturing	17.7(48.5)	0.4(0.0)	-4.4(5.2)
Non-Manufacturing	3.8(15.7)	- 1.6(-1.7)	-9.4(2.0)
<u>Total</u>	5.5(20.8)	- 1.4(-1.4)	-8.7(2.6)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 37

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

QUEBEC

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1979</u>	<u>1980</u> (%)
<u>Total Government</u>			
<u>Majority Own.</u>	0.5(9.1)	- 2.2(-3.4)	-11.6(-2.2)
<u>Total Private Majority Own.</u>	26.2(34.4)	- 0.6(-1.9)	1.3(5.1)
Manufacturing	24.5(50.3)	0.2(-1.7)	- 2.0(3.0)
Non-manufacturing	27.7(26.9)	- 1.2(-1.9)	4.3(6.3)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 38

EXPECTATIONS FOR 1980 AND 1981
BY COMPANIES HEADQUARTERED IN QUEBEC*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	76.4(72.9)	14.7(17.4)	8.8(9.6)	82.3(75.1)	17.6(20.8)	- (4.0)
Export Sales	79.3(65.2)	10.3(20.1)	10.3(14.6)	65.5(56.1)	24.1(32.2)	10.3(11.6)
Profits	65.7(63.3)	11.4(18.3)	22.8(18.3)	62.8(64.8)	25.7(25.7)	11.4(9.3)
Corporate Employment						
in Canada	37.1(44.8)	60.0(46.5)	2.8(8.6)	41.1(46.6)	55.8(46.2)	2.9(7.0)
Corporate Financial						
Conditions	39.3(39.3)	42.4(37.6)	18.1(23.0)	42.4(46.8)	36.3(39.1)	21.2(13.9)
Canadian Business						
Conditions	6.0(10.5)	42.4(39.2)	51.5(50.2)	32.3(30.5)	38.2(40.2)	29.4(29.1)
Foreign Investment						
Climate	18.7(25.0)	56.2(50.9)	25.0(24.0)	47.0(36.1)	41.1(50.9)	11.7(12.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 50 firms in the Survey panel with headquarters in Quebec.

Table 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

ONTARIO

(Current \$ Millions)

	Year to Year			
	Percentage		Between Survey	
	Change		Revisions (%)	
	1979	1980	1979	1980
Manufacturing	1836(4719)	3357(6988)	-4.5(-1.8)	1.7(2.8)
Non-manufacturing	3637(17410)	4297(20747)	-3.8(-2.6)	7.7(2.6)
<u>Total</u>	5473(22129)	7654(27735)	-4.0(-2.4)	5.0(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

Table 40

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

ONTARIO

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u>
<u>Foreign Majority Owned</u>			
Manufacturing	90.8(47.6)	-5.5(-3.2)	-2.1(0.8)
Non-Manufacturing	35.6(26.8)	-5.6(-4.6)	24.7(3.9)
<u>Total</u>	75.3(33.4)	-5.5(-4.2)	2.7(2.8)
<u>Domestic Majority Owned</u>			
Manufacturing	72.7(48.5)	-3.1(0.0)	7.6(5.2)
Non-Manufacturing	16.0(15.7)	-3.5(-1.7)	5.6(2.0)
<u>Total</u>	27.4(20.8)	-3.5(-1.4)	6.1(2.6)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 41

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

ONTARIO

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Total Government</u>			
<u>Majority Own.</u>	16.0(9.1)	-4.7(-3.4)	7.7(-2.2)
<u>Total Private Majority Own.</u>	53.0(34.4)	-3.6(-1.9)	3.9(5.1)
Manufacturing	81.0(50.3)	-4.7(-1.7)	2.0(3.0)
Non-manufacturing	23.8(26.9)	-2.4(-1.9)	6.9(6.3)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 42

EXPECTATIONS FOR 1979 AND 1980
BY COMPANIES HEADQUARTERED IN ONTARIO*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	79.3(72.9)	12.0(17.4)	8.6(9.6)	76.3(75.1)	17.5(20.8)	6.1(4.0)
Export Sales	61.9(65.2)	19.5(20.1)	18.4(14.6)	52.2(56.1)	33.3(32.2)	14.4(11.6)
Profits	65.2(63.3)	18.2(18.3)	16.5(18.3)	66.3(64.8)	23.8(25.7)	9.7(9.3)
Corporate Employment						
in Canada	43.5(44.8)	43.5(46.5)	12.8(8.6)	45.2(46.6)	45.2(46.2)	9.5(7.0)
Corporate Financial						
Conditions	45.2(39.3)	31.3(37.6)	23.4(23.0)	54.8(46.8)	33.6(39.1)	11.5(13.9)
Canadian Business						
Conditions	12.7(10.5)	39.0(39.2)	48.1(50.2)	33.3(30.5)	42.5(40.2)	24.0(29.1)
Foreign Investment						
Climate	27.5(25.0)	46.5(50.9)	25.8(24.0)	33.3(36.1)	52.6(50.9)	14.0(12.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 145 firms in the Survey Panel with headquarters in Ontario.

Table 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

PRAIRIE REGION

(Current \$ Millions)

	Year-to-Year			
	Percentage		Between Survey	
	Change		Revisions (%)	
	1979	1980	1979	1980
Manufacturing	677(4719)	695 (6988)	-3.5(-1.8)	1.4(2.8)
Non-manufacturing	5672(17410)	7031(20747)	-0.5(-2.6)	7.7(2.6)
<u>Total</u>	6349(22129)	7726(27735)	-0.8(-2.4)	7.1(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

Table 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

MANITOBA & SASKATCHEWAN

(Current \$ Millions)

	Year-to-Year			
	Percentage		Between Survey	
	Change		Revisions (%)	
	1979	1980	1979	1980
Manufacturing	100(4719)	128(6988)	1.8(-1.8)	-19.4(2.8)
Non-manufacturing	1102(17410)	1355(20747)	-3.1(-2.6)	8.3(2.6)
<u>Total</u>	1202(22129)	1483(27735)	-2.7(-2.4)	5.2(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

Table 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

ALBERTA

(Current \$ Millions)

	Year to Year			
	Percentage		Between Survey	
	Change		Revisions (%)	
	1979	1980	1979	1980
Manufacturing	563(4719)	508(6988)	- 9.8(48.0)	-3.4(-1.8) 4.6(2.8)
Non-manufacturing	4252(17410)	5141(20747)	20.9(19.1)	0.7(-2.6) 7.0(2.6)
<u>Total</u>	4815(22129)	5649(27735)	17.3(25.3)	0.2(-2.4) 6.7(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

Table 46

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u>
<u>Foreign Majority Owned</u>			
Manufacturing	-13.2(47.6)	-0.3(-3.2)	2.5(0.8)
Non-Manufacturing	23.5(26.8)	-3.2(-4.6)	5.9(3.9)
<u>Total</u>	18.9(33.4)	-2.8(-4.2)	5.6(2.8)
<u>Domestic Majority Owned</u>			
Manufacturing	35.3(48.5)	-9.4(0.0)	0.1(5.2)
Non-Manufacturing	24.4(15.7)	3.3(-1.7)	10.2(2.0)
<u>Total</u>	25.3(20.8)	2.1(-1.4)	9.2(2.6)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 47

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Total Government</u>			
Majority Own.	14.1(9.1)	-4.5(-3.4)	-1.8(2.2)
<u>Total Private Majority Own.</u>	23.3(34.4)	0.1(-1.9)	9.2(5.1)
Manufacturing	2.2(50.3)	-3.3(-1.7)	1.7(3.0)
Non-manufacturing	26.5(26.9)	0.6(-1.9)	10.2(6.3)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 48

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

ALBERTA

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u>
<u>Foreign Majority Owned</u>			
Manufacturing	-27.4(47.6)	-1.4(-3.2)	-3.0(0.8)
Non-Manufacturing	18.6(26.8)	-2.6(-4.6)	4.5(3.9)
<u>Total</u>	12.5(33.4)	-2.4(-4.2)	3.8(2.8)
<u>Domestic Majority Owned</u>			
Manufacturing	34.3(48.5)	-8.0(0.0)	17.0(5.2)
Non-Manufacturing	24.5(15.7)	6.5(-1.7)	10.9(2.0)
<u>Total</u>	25.4(20.8)	5.0(-1.4)	11.5(2.6)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 49

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Total Government</u>			
<u>Majority Own.</u>	12.3(9.1)	- 2.9(-3.4)	-3.2(-2.2)
<u>Total Private Majority Own.</u>	17.9(34.4)	0.6(-1.9)	8.1(5.1)
Manufacturing	-9.8(50.3)	- 3.4(-1.7)	4.6(3.0)
Non-manufacturing	22.2(26.9)	1.3(-1.9)	8.5(6.3)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 50

EXPECTATIONS FOR 1979 AND 1980
BY COMPANIES HEADQUARTERED IN THE PRAIRIE REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	78.0(72.9)	19.5(17.4)	2.4(9.6)	80.0(75.1)	17.5(20.8)	2.5(4.0)
Export Sales	58.0(65.2)	32.2(20.1)	9.6(14.6)	54.8(56.1)	32.2(32.2)	12.9(11.6)
Profits	80.4(63.3)	12.1(18.3)	7.3(18.3)	72.5(64.8)	22.5(25.7)	5.0(9.3)
Corporate Employment						
in Canada	65.8(44.8)	31.7(46.5)	2.4(8.6)	65.0(46.6)	30.0(46.2)	5.0(7.0)
Corporate Financial						
Conditions	37.5(39.3)	40.0(37.6)	22.5(23.0)	35.8(46.8)	43.5(39.1)	20.5(13.9)
Canadian Business						
Conditions	7.6(10.5)	46.1(39.2)	46.1(50.2)	21.0(30.5)	34.2(40.2)	44.7(29.1)
Foreign Investment						
Climate	28.5(25.0)	57.1(50.9)	14.2(24.0)	33.3(36.1)	52.3(50.9)	14.2(12.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* These are 57 firms in the Survey panel with headquarters in the Prairie Region.

Table 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1980

B.C. AND NORTHERN REGION

(Current \$ Millions)

	Year to Year		Between Survey	
	Percentage		Revisions (%)	
	1979	1980	1979	1980
Manufacturing	787(4719)	1199(6988)	4.9(-1.8)	5.1(2.8)
Non-manufacturing	2286(17410)	2949(20747)	-4.2(-2.6)	-1.7(2.6)
<u>Total</u>	3073(22129)	4148(27735)	-2.0(-2.4)	0.1(2.7)

Note: Actual 1979 and revised intentions 1980.

These are dollar amounts reported for the years 1979-80 from the April 1980 Survey by firms who reported in both the April 1980 and October 1979 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

Table 52

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	32.1(47.6)	-2.0(-3.2)	-10.3(0.8)
Non-Manufacturing	29.7(26.8)	-4.9(-4.6)	- 3.6(3.9)
<u>Total</u>	30.2(33.4)	-4.3(-4.2)	- 5.0(2.8)
<u>Domestic Majority Owned</u>			
Manufacturing	64.4(48.5)	9.5(0.0)	14.6(5.2)
Non-Manufacturing	28.1(15.7)	-3.3(-1.7)	0.5(2.0)
<u>Total</u>	39.5(20.8)	0.4(-1.4)	5.3(2.6)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 53

CAPITAL INVESTMENT COMPARISONS
OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1979</u> (%)	<u>1980</u> (%)
<u>Total Government</u>			
<u>Majority Own.</u>	9.1(9.1)	-1.4(-3.4)	-0.9(-2.2)
<u>Total Private Majority Own.</u>	44.0(34.4)	-2.2(-1.9)	0.4(5.1)
Manufacturing	52.2(50.3)	4.9(-1.7)	5.1(3.0)
Non-manufacturing	39.7(26.9)	-5.6(-1.9)	-2.1(6.3)

Note: Actual 1979 and revised intentions 1980.

For comparison purposes, figures for Canada are provided in round brackets.

Table 54

EXPECTATIONS FOR 1979 AND 1980
BY COMPANIES HEADQUARTERED IN THE B.C. AND NORTHERN REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	30.7(72.9)	42.3(17.4)	26.9(9.6)	52.0(75.1)	44.0(20.8)	4.0(4.0)
Export Sales	64.0(65.2)	20.0(20.1)	16.0(14.6)	56.5(56.1)	43.4(32.2)	- (11.6)
Profits	29.6(63.3)	29.6(18.3)	40.7(18.3)	53.8(64.8)	34.6(25.7)	11.5(9.3)
Corporate Employment						
in Canada	37.0(44.8)	51.8(46.5)	11.1(8.6)	38.4(46.6)	57.6(46.2)	3.8(7.0)
Corporate Financial						
Conditions	30.7(39.3)	34.6(37.6)	34.6(23.0)	56.0(46.8)	36.0(39.1)	8.0(13.9)
Canadian Business						
Conditions	12.0(10.5)	28.0(39.2)	60.0(50.2)	33.3(30.5)	45.8(40.2)	20.8(29.1)
Foreign Investment						
Climate	10.0(25.0)	60.0(50.9)	30.0(24.0)	40.0(36.1)	60.0(50.9)	- (12.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 33 firms in the Survey Panel with headquarters in the British Columbia and Northern Region.

APPENDIX

- APPENDIX -

Survey of Business Capital Investment -
Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data because of the variation in the number of firms reporting in each year and in different surveys. Matching allows for consistency in making comparisons because only the data of those companies which have reported in the last two surveys for specified years, e.g., 1979 and 1980 are used. This is referred to as a 2 survey - 2 year matched panel.

The above system of matching is applied separately for each of the investment categories specified on a regional table. Hence it is clear that the regional totals obtained on a matched sample basis will not necessarily add to the matched Canada total.

2) The problem of companies in the Survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	<u>1979</u>	<u>1980</u>
	(Current \$ Billions)	
Totals as per Table 1	22.13	27.73
Amounts reported by region		
Atlantic	1.42	1.59
Quebec	4.54	4.96
Ontario	5.47	7.65
Prairies	6.35	7.73
B.C. & Northern Region	3.07	4.15
Unallocated Region*	<u>.74</u>	<u>.99</u>
Total	21.60	27.07
Difference between totals	.53	.66
Portion of difference explained by "matching"	.29	.28
Portion of difference explained by non-response	.24	.38

Note: Actual 1979 and revised intentions 1980.

* Includes investment which was not specifically allocated to a particular region because it was uncertain which province or region it would take place in and expenditures on movable machinery and equipment which are not allocated to a specific region, i.e., rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than on an establishment basis would definitely affect the sectoral breakdown of both the regional and Canada distribution, i.e., whether outlays were categorized as coming under manufacturing, resource industries, etc. Therefore, the IT&C sectoral coverage cannot be properly related to the Statistics Canada Private and Public Investment in Canada Survey (PPI) because investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's mainline of business.

4) The question has arisen of how the overall regional distribution of expenditures reported in the IT&C Capital Investment Intentions Survey compare to the regional distribution as reported in Statistics Canada's PPI for business (excluding housing).

The regional distribution as seen from both surveys is provided in the table below.

	<u>(% Distribution)</u>			
	<u>ITC April 80 Survey</u>		<u>SC PPI (March 80)</u>	
	1979	1980	1979	1980
	<u>Actual</u>	<u>Rev. Int.</u>	<u>Prel. Actual</u>	<u>Int.</u>
Atlantic	6.8	6.1	6.8	5.6
Quebec	21.8	19.0	21.9	20.1
Ontario	26.2	29.3	30.4	31.6
Prairies	30.5	29.6	26.6	27.7
B.C. & Northern	<u>14.7</u>	<u>15.9</u>	<u>14.3</u>	<u>15.0</u>
Total	100.0	100.0	100.0	100.0

5) The question has also arisen as to how representative the spending reported by the large firms in the ITC Survey is, on a regional basis, of that reported in PPI for the comparable sector, i.e. the business capital investment sector which excludes housing.

The regional coverage is as follows:

<u>ITC as a Percentage of PPI Non-Agricultural Business</u>		
	<u>1979</u>	<u>1980</u>
Atlantic	61.9	71.9
Quebec	61.7	62.9
Ontario	53.8	61.6
Prairies	71.3	70.8
B.C. & Northern	64.3	70.5
Canada	66.1	70.5

6) The following table provides a breakdown of the number of companies reporting to the IT&C Survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the Survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>CANADA</u>
Mfg.	50	91	122	76	61	160
Non-Mfg.	40	44	67	91	70	139
TOTAL	90	135	189	167	131	299



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REPORT OF THE
IT&C CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN OCTOBER 1980

Economic Policy and Analysis
Analyse et élaboration de la
politique économique



REPORT OF THE
IT&C CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN OCTOBER 1980

December, 1980
Capital Expenditures Group
Department of Industry, Trade
Commerce, Ottawa

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We are grateful to the many business executives who entrusted their forward plans to us and took time to discuss relevant matters with us, thereby making the IT&C Capital Investment Intentions Survey possible.

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Mr. A. Skahen, Analyst, Capital Expenditures Group, has been assigned the responsibility for answering detailed questions about this report.

Nancy Chinfen,
Senior Analyst,
Capital Expenditures Group,
Department of Industry, Trade
and Commerce,
Ottawa

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PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce covering some 300 large corporations carried out in October 1980. The survey does not cover smaller firms, housing, agriculture, fishing, or direct government outlays. The results therefore, cannot be extended directly to the economy as a whole without adjustment.

The data in this report should be regarded as the investment intentions or plans of a panel of large firms at the time of the Survey. Caution is therefore required in interpreting this data which may not give the entire investment picture. Also, these investment projections may be altered, of course, to reflect changing domestic and foreign market conditions, financial circumstances, labour disputes, the degree of uncertainty in the investment climate, etc. Nevertheless, the data of this report are useful to show changes in planned outlays from that reported in an earlier survey, and investment intentions at the regional level, as well as factors underlying them.

EXECUTIVE SUMMARY

The Capital Investment Intention Survey of the Department of Industry, Trade and Commerce conducted in October 1980, covering some 300 large corporations, provides a reading on business capital spending for 1981. Several highlights from the current report are given below.

- i) The Survey results, after adjustments, suggest that the level of business spending in the total economy in 1981 will increase by 14-16 percent in current dollar terms. As reported earlier in the IT&C press release of December 10, 1980, this represents a 2-3 percent advance in real terms. This compares with an estimated increase of 5-7 percent for 1980 and a 9.4 percent increase reported for 1979 on a National Accounts basis.
- ii) The Atlantic Region, Ontario and the Prairies are seen as areas of strength, each showing above average rates of percentage increases for 1981; 36 percent, 33 percent and 31 percent in current dollars, respectively. (Some downward adjustment should be applied to these figures to estimate increased capital spending for the entire business sector in each of these areas).
- iii) Compared to a similar Survey conducted in April 1980 this recent Survey also shows a strengthening of investment plans for the 1982-1984 period.

HIGHLIGHTS OF THE OCTOBER 1980 SURVEY

HIGHLIGHTS OF THE OCTOBER 1980 SURVEY

The Aggregate Picture

The October 1980 Survey provides an indication of planned investment for 1981 based on conditions at the time of the survey. The survey results suggest that business capital investment in 1981 will continue to be a source of strength of the Canadian economy. However, the investment plans for 1981 do not exceed GNP growth by as much as they did in 1979 and 1980.

In the Fall of 1980 the approximately 300 large firms expected that their capital spending for 1981 would increase by about 26 percent in current dollars. (Unless otherwise stated, dollar levels and percent changes in this report are based on current dollars). These same companies in April 1980 expected the 1981 increase to be 14 percent. This change is the result of both a downward revision of the 1980 level of spending (-1.7 percent) and an upward revision of investment plans for 1981 of about 8 percent between the April 1980 and the October 1980 surveys.

It should be noted that most of the large companies that reported in this October Survey were unable to take into account the Federal Budget when preparing their investment plans. Also, the Survey does not cover smaller firms, housing, agriculture, direct government outlays, etc. Therefore, the results cannot be extended to the economy as a whole without adjustment.

At the same time, plans or intentions are not the same as actual spending activity. It has been noted that in ten of the past eleven years that these large firms initial investment plans overestimated their actual spending on new plant and equipment. In the present situation of projected slow growth for the domestic economy and for our major external markets, there is little doubt that the present investment plans of the large firms may not be fully realized, particularly as energy related costs and interest rate costs rise steadily.

Thus after adjustments, the October 1980 Survey results suggest that the realized increase in the level of business capital formation (excluding housing) in real terms may be 2-3 percent in 1981. This compares with an estimated increase of 5-7 percent for 1980 and a 9.4 percent increase reported for 1979 on a National Accounts basis.

Responding firms expect their level of current dollar spending on new plant and equipment for 1981 to be about \$34.3 billion (Table 1). This is an increase of about \$2.5 billion (about equally shared by the manufacturing and non-manufacturing sectors) from the plans for 1981 reported by these same companies in April 1980. This expected level of spending for 1981, is about a \$7 billion increase over the 1980 level. About two-thirds of this increase is accounted for by about two-fifths of the Survey panel concentrated in six main groupings, namely, forest products, primary metals, chemicals, transportation equipment, oil and gas companies, and oil and gas pipelines.

Outlook for Manufacturing

Spending by manufacturing firms in 1981 on new plant and equipment is expected to be about \$9.0 billion in current dollars or 38 percent above the revised 1980 level of spending. This level of spending represents an increase of about \$1.2 billion from the plans reported last April and can be attributed largely to forest products, transportation equipment, and chemical companies. Chemicals and forest products show the largest year-to-year percentage increases for 1981 over 1980. Spending by auto manufacturers on re-tooling for smaller cars is also evident in the transportation equipment industry. Food and beverage and other manufacturing plans indicate weak spending on new plant and equipment for 1981. (Table 1 and Table 2).

Outlook for Non-Manufacturing

Spending plans of the non-manufacturing sector in 1981 are expected to reach about \$25 billion, an increase of about 22 percent over the 1980 unrevised spending level. Notable strength is apparent in oil and gas pipelines as well as in the transportation and storage industry. However, spending plans of electric utilities for 1981 continue to be weak, with an anticipated increase of 5.5 percent. Intended spending for 1981 by the mining and communications companies were revised upwards from the April 1980 survey as were the spending plans of the oil and gas companies. It should be noted once again that the companies involved in the October survey were unable to take into account the Federal Budget when updating their investment plans.

Reasons for and Types of Changes in Investment

For 1980, the major factors or reasons for downward revisions in spending were better estimates, followed by carry-overs, domestic market demand, internal financing and government regulations (Table 19). For 1981, reasons for upward changes in investment spending centered around better estimates, domestic market demand, carry-overs, and capacity requirements (Table 20).

For the 1982-84 period, the major factors for increasing spending intentions were better estimates, domestic market demand, expected rates of return and capacity requirements (Table 21). For further details, see Tables 18-27.

Cost of Capital Goods

The average cost adjustment factor, or inflation rate used by the large firms in their capital budgets for 1981 was 9.4 percent over the cost level for 1980, the same inflation rate used by these large firms in their budgets for 1980. The expected cost adjustment factors range from 8.8 percent for 1981 for the Quebec area to a 9.8 percent for the Prairie and Atlantic Regions (Table 6).

On an industry basis, the average cost factors are provided in Table 7. It was noted that forest product companies and primary metal companies were expecting cost increases in the period 1981-1984 to be somewhat higher than for the manufacturing sector as a whole. Within the non-manufacturing sector, oil and gas companies showed a higher level of expected cost increases than the total non-manufacturing group.

Public Compared to Private Capital Spending

Capital spending in the public or government segment of the large firm panel, (i.e. crown corporations) is expected to increase by 19 percent in 1981 compared with about 28 percent for the private sector (Table 11). Private spending on plant and equipment accounts for \$2.2 billion of the \$2.5 billion upward revision to the investment plans for 1981 between the April and October surveys. The public segment in the survey panel represents about 30 percent of the total capital spending for 1981 (Table 10). For 1980, the public and private sectors indicated downward revisions in the level of spending reported earlier (2.2 percent and 1.5 percent respectively). For 1981, the public sector indicated a 3 percent between survey upward revision while the private sector recorded a 10 percent upward revision (Table 11).

On a regional basis the government portion of total capital investments in 1981 ranges from 18 percent in the Prairies to 57 percent in Quebec (Table 10). Within the public sector, Ontario and the Prairies stand out as areas of strength in 1981 with expected year-over-year advances of 32 percent (Table 11). For 1980, within this sector, the reported levels of investment were increased from earlier estimates in all but Ontario. For 1981, the expected spending in Ontario has been reduced from that reported in the April 1980 Survey, while spending levels in the Atlantic and Prairies have been raised.

Within the private sector for 1981, the Atlantic is the leader with an anticipated year-to-year advance of 63 percent. For 1980, the reported levels of spending were reduced from those reported earlier in all but the Atlantic and Prairie regions. In contrast, the expected level of spending for 1981, in all regions, has been increased.

Foreign versus Domestic Companies

Dividing the entire Survey panel into domestic majority owned and foreign majority owned firms, it was found that both plan increases of about 25 percent in their capital spending for 1981. In 1980 the domestic firms increased their spending by 20 percent while foreign firms spending advanced by 36 percent (Table 9). Domestic majority owned firms represent approximately 60 percent of total capital spending reported by the Survey panel while the foreign owned firms account for the remainder.

On a regional basis, the proportion of investment in a region associated with domestic majority owned firms ranges from a high of 83 percent in Quebec for 1981 to 49 percent in the Prairies (Table 8). Domestic firms show downward revisions in spending for 1980 for all areas but the Atlantic from that reported in April 1980. Foreign majority owned firms' spending for 1980 has been increased in all but Ontario and the B.C. region. For 1981, all regions in both segments of the panel showed increased intended levels of capital spending (Table 9).

Tentative Medium Term Investments

A total of over \$11 billion in capital investments was not included by the large corporations in their capital spending plans but nevertheless was thought to hold high potential for introduction over the medium term. On a regional basis, the Prairies (about \$5.4 billion or 48 percent of the total) and Ontario (about \$2.5 billion or 22 percent of the total) would absorb the major proportions of

these investments. The tentative investment in Quebec is centered in the manufacturing sector. The manufacturing sector within Quebec and the non-manufacturing sector in the Prairies collectively account for almost 60 percent of the tentative investment plans (Table 14).

Factors Affecting Outlays

As noted in earlier surveys, federal government industry specific economic policies were the most often cited factor affecting both current and tentative outlays (Table 15). Expected cash flow and sales in Canada as were other government's policies were more frequently mentioned than in the April Survey. The cost of funds continues to be a current concern. Raw material shortages were less frequently mentioned than six months ago as a factor affecting outlays.

Purpose of Investment

Of the 300 corporations in the Survey panel, 257 reported the breakdown of their capital spending by purpose; thus, about 85 percent of the total reported capital spending for 1981 was allocated to the various purpose categories. The larger portions of capital spending continue to be directed to new facilities at new sites and to the expansion of existing facilities. For further details, see Tables 28, 29 and 30.

Medium Term Investment

A comparison of this Survey's results with those taken in April 1980 shows a strengthening of earlier investment plans for 1981 and the 1982-1984 period in Canada as a whole in both the manufacturing and non-manufacturing sectors (Tables 12, 16 and 17). On a regional basis, the Atlantic and Prairies regions show above average between survey revision for the 1982-84 period as well as the entire six years (Table 13).

Regional Perspectives

Atlantic Region (Tables 31-34)

Spending on plant and equipment for 1981 by companies in the Survey panel which invest in the Atlantic region is expected to be about \$2.3 billion (current dollars). This level of spending represents an increase of 36 percent from 1980 and follows a 20 percent advance in 1980 (Table 31).

Investment spending for 1980 by the manufacturing sector in the Atlantic region is expected to advance about 75 percent to a level of \$483 million. Within this sector the forest products, primary metals and transportation equipment sectors register the largest percentage increase for 1981.

In the non-manufacturing sector for the Atlantic Region capital spending is expected to reach \$1,784 million, up some \$400 million from April 1980 estimates. Increased spending intentions by mining and oil and gas companies account for most of this improved outlook.

Crown corporations, which account for about 40 percent of total capital spending in the Atlantic region for 1981 (Table 10), have revised their spending plans upward in the Atlantic region for 1981 by about 27 percent from the level reported in April 1980. The private sector recorded a 38 percent upward change in investment plans for 1981 since the last Survey (Table 33).

Foreign majority owned firms expect to more than double their capital spending (i.e. 123 percent) in the Atlantic provinces in 1981 while domestic owned firms expect spending to increase by about 9 percent (Table 32).

Quebec (Tables 35-38)

The October 1980 Survey shows that the large corporations investing in new plant and equipment in Quebec expect to spend \$5.4 billion (current dollars) in 1981 an increase of 9.4 percent over 1980 levels (Table 35). This is an improved outlook from the 2 percent advance expected for 1981 in the April 1980 Survey.

Capital spending for 1980 in Quebec by the manufacturing sector is expected to reach about \$1.3 billion, an increase of 36 percent over 1980. Forest products and transportation equipment indicated the strongest year-over-year percentage increases; the food and beverages and chemicals sectors spending is weak.

The increase in the spending plans of 3 percent in 1981 for the non-manufacturing sector in Quebec is well below the national average increase of 22 percent for this sector. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of crown corporations. All the broad non-manufacturing industry classifications for Quebec show year-to-year increases for 1981 with the exception of utilities. The mining companies reported reduced levels of spending for both 1980 and 1981. In contrast, the oil and gas companies reported increased levels for both years.

Crown corporations, which account for about three-fifths of the total capital spending in Quebec (Table 10), are expecting to increase spending in 1981 by only 1.3 percent. Private sector spending in Quebec which is expected to advance by 22 percent in 1981 provides the impetus to the overall spending increases of 9 percent.

Companies headquartered in Quebec are more optimistic about prospects for 1981 than they are about 1980. This is particularly true with respect to Canadian business conditions and profits. Domestic sales are expected to show improvement in 1981 while

prospects for export sales expectations are somewhat less optimistic (Table 38).

In October 1980, Quebec headquartered companies reported considered investments of about \$1.9 billion which were not included in their reported spending plans but were nevertheless thought to hold high potential for introduction over the medium term (Table 14). "Canadian federal government policies" and expected cash flow were the factors that were most frequently mentioned as affecting the spending plans of Quebec headquartered companies (Table 15). An increase in the frequency of response indicating expected sales abroad and rates of return as having a negative impact on investment plans by Quebec headquartered firms is noteworthy.

Ontario (Tables 39-42)

Companies with plant and equipment investments in Ontario reported in the October 1980 Survey that they expect their level of spending in 1981 to approach \$9.4 billion (current dollars), an increase of 33 percent or \$2.4 billion over the revised 1980 level (Table 39).

Investment spending for 1980 in Ontario, by the manufacturing sector, is expected to reach about \$4.4 billion, an increase of \$1.4 or 44 percent from the 1980 level. The primary metals, chemicals, and forest products sectors are the main contributors to the advance. Chemical firms expect to more than double their investment spending in Ontario in 1981.

The spending increases for 1981 of the non-manufacturing sector in Ontario at 25 percent is slightly above the national average increase of 22 percent in this sector. Electric utilities, oil and gas pipelines and oil and gas companies are the principal contributors to this expected increased spending.

Private sector spending in Ontario for 1981 is expected to advance by 34 percent more or less in line with a 32 percent increase in the public segment of the business sector (Table 41). Private sector spending on plant and equipment accounts for over 70 percent of the year-to-year increase for 1981. As well it accounts for all of the total revision between the April and October Surveys in capital spending plans for 1981 in Ontario. Revisions in investment intentions by the public segment of the Survey panel amounted to a reduction of about \$150 million while the private sector expanded their intentions by about \$700 million - thus a net change of \$550 million (or 6 percent).

Foreign owned firms show about the same rate of increased spending in Ontario in 1981 as domestic majority owned firms, i.e. about 33 percent (Table 40). Strength for 1981, in the domestic owned sector, is centered in manufacturing industries especially in primary metals, and chemicals. In the foreign owned segment, the stronger year-to-year advances are in forest products, chemicals and oil and gas companies.

Companies with headquarters in Ontario are more optimistic about Canadian business conditions for 1981 than was the case for 1980 (Table 42). They are also optimistic about domestic and export sales in 1981.

Capital investments of about \$2.5 billion were not included in the capital spending plans of the Ontario headquartered corporations but were thought to hold high potential for introduction over the next few years. About 85 percent of this considered investment was reported by non-manufacturing firms, in particular, oil and gas companies.

In October 1980, expected cash flow was the factor most often cited by Ontario headquartered companies as having a negative affect on spending plans whereas, in April 1980, it was the cost of

funds (Table 15). Expected economic conditions in Canada, federal government policies and manpower shortages seem to be more of a concern now for Ontario based companies than in April 1980.

Prairie Region (Tables 43-50)

Capital spending for the Prairies in 1981 is expected to be about \$9.9 billion (current dollars), an increase of 31 percent from revised 1980 levels, and an increase of 8 percent or \$780 million from that expected for 1981 back in April 1980 (Table 43). For 1981 spending in Saskatchewan is expected to rise by 35 percent while investment for Alberta and Manitoba is advancing by 29 percent. Over 70 percent of the investment directed to the Prairies will be allocated to Alberta and as such, spending in Alberta dominates the overall Prairie picture.

Manufacturing spending in the Prairies is expected to advance by 35 percent in 1981 (Table 43). This increase is mainly due to the spending intentions of the chemical companies which expect to double their spending in 1981 over 1980 levels. Spending by manufacturing firms in Manitoba and Saskatchewan is expected to advance by about 16 percent in 1981 while manufacturing spending in Alberta is expected to increase by 44 percent (Tables 44 and 45).

Non-manufacturing spending in the Prairies at \$9.1 billion for 1981 shows an advance of 31 percent over revised 1980 levels (Table 47). For Alberta, non-manufacturing spending for 1981 was revised upwards from April 1980 anticipations (more so than the Canada average) and is expected to advance by 28 percent. Strength is due to the expected increased spending by the oil and gas sector and chemical companies (Table 45). Non-manufacturing spending, in Manitoba and Saskatchewan combined, is expected to advance by 35 percent in 1981. This increase is due to the spending of oil and gas companies in Saskatchewan as well as planned spending on oil and gas pipelines for Manitoba and Saskatchewan.

Private sector spending in 1981 for the Prairies is advancing by 31 percent as compared with 32 percent for the public segment of the business sector. Since April 1980 the public or government sector of the Prairies has increased its expected level of spending for 1981 by almost 10 percent, more than the Canada average of some 3 percent (Table 47).

Foreign and domestic firms are expecting percentage increase in their capital spending in the Prairies for 1981, of 18 percent and 48 percent respectively (Table 46).

Companies with headquarters in the Prairies are less optimistic about prospects for 1981 as compared with 1980, especially with respect to profits (Table 50).

Capital investments of about \$5.4 billion were not included in the capital spending plans of the Prairie headquartered companies but were thought to hold high potential for introduction over the medium term (Table 14).

In October 1980, as was the case in April 1980, the factors most frequently mentioned as affecting capital spending plans were federal and provincial government policies. Concern was expressed, by companies in the oil and gas sector, with respect to export volumes, pricing, royalties, taxes, resource ownerships and regulatory burden and delays (Table 15). Manpower shortages, expected sales and cash flow seems to be more of a concern now than in the Spring 1980 Survey.

British Columbia and Northern Region (Tables 51-54)

Spending intentions for 1981 in the British Columbia and Northern Region (including the Yukon and Northwest Territories) are expected to reach \$3.9 billion (current dollars). This current level of spending is about 8 percent or \$300 million above the revised 1980 level of \$3.6 billion (Table 51).

Investment in the manufacturing sector in this region is expected to reach about \$1.4 billion in 1981. The forest products sector indicates the largest year-over-year percentage increase for 1981.

Spending by non-manufacturing firms in the British Columbia and Northern Region at \$2.6 billion for 1981 shows an advance of 2 percent over 1980 levels, well below the national average increase of 22 percent for this sector. Spending plans of the oil and gas companies and utilities more than offset the reduced spending intentions of the mining and oil and gas pipeline companies.

Capital spending for 1981 by the public segment of the business sector is expected to increase by about 14 percent (Table 53). The private sector spending increase for 1981 is expected to be about 6 percent.

Foreign owned firms investing in the British Columbia and Northern Region are expected to increase spending by almost 8 percent in 1981, the same increase as expected by domestic owned firms. Both the foreign and domestic segments in the British Columbia Region are recording lower increases for 1981 than the national average which contrasts the 1980 experience (Table 52).

Companies with headquarters in the British Columbia and Northern Region show more optimism for prospects in 1981 than for 1980 with respect to all qualitative factors, especially, domestic sales, Canadian business conditions and profits (Table 54).

The British Columbia and Northern headquartered firms reported \$1.6 billion of capital investments which were not included in their reported budgets but were considered to hold high potential for implementation over the next few years. About one third of this amount was reported by manufacturing firms (Table 14).

Canadian government policies and expected sales abroad were the factors most often mentioned as affecting spending plans by the firms in this region (Table 15).

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Current \$ Millions)

Industry	1980 Reported in Apr. 1980	1980 Reported in Oct. 1980	1981 Reported in Apr. 1980	1981 Reported in Oct. 1980
Food & Beverages	433.7	406.8	420.8	447.9
Forest Products	1,732.7	1,621.5	2,010.4	2,436.9
Primary Metals	1,363.5	1,302.3	1,744.6	1,754.8
Chemicals	680.3	612.9	848.0	1,161.1
Transportation Equip.	1,290.9	1,175.4	1,217.3	1,560.5
Other Manufacturing	1,479.0	1,394.4	1,554.2	1,666.0
<u>Total Manufacturing</u>	<u>6,980.1</u>	<u>6,513.3</u>	<u>7,795.3</u>	<u>9,027.2</u>
Mining Companies	1,841.1	1,790.4	1,992.3	2,152.0
Oil & Gas Companies	5,891.5	6,478.8	7,002.0	8,333.3
Oil & Gas Pipelines	1,055.4	922.2	1,654.2	1,627.5
Transp. & Storage	1,521.7	1,413.2	2,028.5	2,031.9
Communications	2,381.5	2,379.5	2,542.7	2,724.3
Electric Utilities	6,880.2	6,640.2	7,340.3	7,009.6
Trade, Finance and Other Commercial	1,222.1	1,170.0	1,406.5	1,401.9
<u>Total Non-Manufacturing</u>	<u>20,793.5</u>	<u>20,794.3</u>	<u>23,966.5</u>	<u>25,280.5</u>
 <u>TOTAL</u>	 <u>27,773.6</u>	 <u>27,307.6</u>	 <u>31,761.8</u>	 <u>34,307.7</u>

* Only those firms which reported for the April 1980 and the October 1980
Surveys for the years 1980 and 1981 are used in this table, namely 295 firms.

TABLE 2

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Current \$ Millions)

Industry	Revisions Between April 1980 & October 1980 Surveys (Percent Change)		1981/80 Year to Year (Percent Change)	
	1980	1981	Reported in Apr. 1980	Reported in Oct. 1980
Food & Beverages	-6.3	6.4	-3.0	10.1
Forest Products	-6.5	21.2	16.0	50.2
Primary Metals	-4.5	0.5	27.9	34.7
Chemicals	-10.0	36.9	24.6	89.4
Transportation Equip.	-9.0	28.1	-5.8	32.7
Other Manufacturing	-5.8	7.1	5.0	19.4
<u>Total Manufacturing</u>	<u>-6.7</u>	<u>15.8</u>	<u>11.6</u>	<u>38.5</u>
Mining Companies	-2.8	8.0	8.2	20.1
Oil & Gas Companies	9.9	19.0	18.8	28.6
Oil & Gas Pipelines	-12.7	-1.7	56.7	76.4
Transp. & Storage	-7.2	0.1	33.3	43.7
Communications	-0.1	7.1	6.7	14.4
Electric Utilities	-3.5	-4.6	6.6	5.5
Trade, Finance and Other Commercial	-4.3	-0.4	15.0	19.8
<u>Total Non-Manufacturing</u>	<u>0.0</u>	<u>5.4</u>	<u>15.2</u>	<u>21.5</u>
<u>TOTAL</u>	<u>-1.7</u>	<u>8.0</u>	<u>14.3</u>	<u>25.6</u>

* Only those firms which reported for the April 1980 and the October 1980 Surveys for the years 1980 and 1981 are used in this table, namely 295 firms.

TABLE 3
CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Constant 1980 \$ Millions)

<u>Industry</u>	<u>1980 Reported in Apr. 1980</u>	<u>1980 Reported in Oct. 1980</u>	<u>1981 Reported in Apr. 1980</u>	<u>1981 Reported in Oct. 1980</u>
Food & Beverages	433.7	406.8	383.7	408.1
Forest Products	1,732.7	1,621.5	1,828.9	2,213.3
Primary Metals	1,363.5	1,302.3	1,599.0	1,595.2
Chemicals	680.3	612.9	777.2	1,056.2
Transportation Equip.	1,290.9	1,175.4	1,126.8	1,438.7
Other Manufacturing	1,479.0	1,394.4	1,446.9	1,524.1
<u>Total Manufacturing</u>	<u>6,980.1</u>	<u>6,513.3</u>	<u>7,162.5</u>	<u>8,235.6</u>
Mining Companies	1,841.1	1,790.4	1,836.1	1,977.6
Oil & Gas Companies	5,891.5	6,478.8	6,452.2	7,556.5
Oil & Gas Pipelines	1,055.4	922.2	1,525.4	1,488.8
Transp. & Storage	1,521.7	1,413.2	1,859.0	1,848.6
Communications	2,381.5	2,379.5	2,354.6	2,492.5
Electric Utilities	6,880.2	6,640.2	6,776.1	6,470.5
Trade, Finance and Other Commercial	1,222.1	1,170.0	1,295.9	1,288.4
<u>Total Non-Manufacturing</u>	<u>20,793.5</u>	<u>20,794.3</u>	<u>22,099.3</u>	<u>23,122.9</u>
 <u>TOTAL</u>	 <u>27,773.6</u>	 <u>27,307.6</u>	 <u>29,261.8</u>	 <u>31,358.5</u>

* Only those firms which reported for the April 1980 and the October 1980
Surveys for the years 1980 and 1981 are used in this table, namely 295 firms.

TABLE 4

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Constant 1980 \$ Millions)

<u>Industry</u>	Revisions Between April 1980 & October 1980 Surveys (Percent Change)		1981/80 Year to Year (Percent Change)	
	<u>1980</u>	<u>1981</u>	<u>Reported in Apr. 1980</u>	<u>Reported in Oct. 1980</u>
Food & Beverages	-6.3	6.3	-11.6	0.3
Forest Products	-6.5	21.0	5.5	36.4
Primary Metals	-4.5	-0.3	17.2	22.4
Chemicals	-10.0	35.8	14.2	72.3
Transportation Equip.	-9.0	27.6	-12.8	22.4
Other Manufacturing	-5.8	5.3	-2.2	9.3
<u>Total Manufacturing</u>	<u>-6.7</u>	<u>14.9</u>	<u>2.6</u>	<u>26.4</u>
Mining Companies	-2.8	7.7	-0.3	10.4
Oil & Gas Companies	9.9	17.1	9.5	16.6
Oil & Gas Pipelines	-12.7	-2.4	44.5	61.4
Transp. & Storage	-7.2	-0.6	22.1	30.8
Communications	-0.1	5.8	-1.2	4.7
Electric Utilities	-3.5	-4.6	-1.6	-2.6
Trade, Finance and Other Commercial	-4.3	-0.6	6.0	10.1
<u>Total Non-Manufacturing</u>	<u>0.0</u>	<u>4.6</u>	<u>6.2</u>	<u>11.1</u>
 <u>TOTAL</u>	 <u>-1.7</u>	 <u>7.1</u>	 <u>5.3</u>	 <u>14.8</u>

* Only those firms which reported for the April 1980 and the October 1980 Surveys for the years 1980 and 1981 are used in this table, namely 295 firms.

TABLE 5.A

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Current \$ Millions)

<u>Province</u>	<u>No. of Companies</u>	<u>1980 Reported in Apr. 1980</u>	<u>1980 Reported in Oct. 1980</u>	<u>1981 Reported in Apr. 1980</u>	<u>1981 Reported in Oct. 1980</u>
Newfoundland	36	435.9	466.9	392.1	655.0
Prince Edward Island	7	16.9	18.6	18.0	15.0
Nova Scotia	41	413.0	448.5	465.6	715.0
New Brunswick	36	640.0	661.4	688.0	736.2
Atlantic Provinces	87	1,583.5	1,662.5	1,697.3	2,267.1
Quebec	130	4,955.2	4,940.0	5,052.9	5,405.5
Ontario	181	7,559.3	7,032.1	8,826.2	9,394.7
Manitoba	61	428.2	419.4	504.8	541.9
Saskatchewan	59	1,006.2	1,024.8	1,338.6	1,380.9
Alberta	117	5,881.8	6,012.3	7,100.1	7,754.0
Prairie Region	154	7,415.3	7,559.4	9,123.2	9,904.7
British Columbia	116	3,451.1	3,394.6	3,421.0	3,550.8
Yukon	7	65.6	62.0	81.2	110.1
Northwest Territories	14	127.4	175.3	325.5	261.4
B.C. and Northern	123	3,729.3	3,646.9	3,896.9	3,935.5
<u>CANADA</u>	<u>295</u>	<u>27,773.6</u>	<u>27,307.6</u>	<u>31,761.8</u>	<u>34,307.7</u>

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals will not necessarily add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 5.B

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1980/1979</u>	<u>1981/1980</u>	<u>1980</u>	<u>1981</u>
Atlantic	19.5	36.3	4.9	33.5
Quebec	10.2	9.4	-0.4	6.9
Ontario	33.4	33.5	-7.0	6.4
Prairies	33.5	31.0	1.9	8.5
B.C. & Northern	38.7	7.9	-2.3	0.9
	—	—	—	—
<u>CANADA</u>	<u>25.6</u>	<u>25.6</u>	<u>-1.7</u>	<u>8.0</u>

Note: Actual 1979, preliminary actual 1980 and intentions 1981.

TABLE 6

YEAR TO YEAR PERCENTAGE CHANGES ESTIMATED IN
THE COST OF CAPITAL GOODS REPORTED OCTOBER 1980 FOR:

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Atlantic	9.6	9.8	9.5	9.4	8.3
Quebec	8.9	8.8	7.5	6.8	7.4
Ontario	9.0	9.4	9.6	8.8	9.0
Prairies	10.0	9.8	9.4	9.4	8.2
B.C. & Northern	9.4	9.1	9.0	9.0	8.8
	—	—	—	—	—
<u>CANADA</u>	<u>9.4</u>	<u>9.4</u>	<u>9.2</u>	<u>8.7</u>	<u>8.2</u>

TABLE 7
COST ADJUSTMENT FACTORS 1979-1984

<u>Industry</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Food & Beverage	100.0	110.1	120.7	131.9	143.6	159.7
Forest Products	100.0	109.7	120.8	133.0	145.3	162.1
Primary Metals	100.0	110.2	121.2	133.2	145.6	157.0
Chemicals	100.0	109.4	120.3	133.3	146.6	160.6
Transportation Equipment	100.0	108.8	118.3	131.5	142.0	154.5
Other Manufacturing	100.0	109.3	119.7	130.6	142.2	155.8
 TOTAL MANUFACTURING	 100.0	 109.5	 120.1	 132.6	 145.0	 159.5
 Mining	 100.0	 108.8	 118.5	 129.2	 141.4	 152.4
Oil & Gas Companies	100.0	110.8	122.1	133.8	146.5	159.0
Oil & Gas Pipelines	100.0	109.1	119.3	129.1	140.2	151.5
Transportation & Storage	100.0	109.8	120.4	130.7	141.5	152.9
Communications	100.0	108.8	118.9	129.0	138.7	149.5
Electric Utilities	100.0	108.5	117.5	127.0	136.9	147.2
Trade, Finance & Other Commercial	100.0	108.6	118.0	127.7	138.8	152.8
 TOTAL NON-MANUFACTURING	 100.0	 109.4	 119.6	 130.4	 141.6	 153.1
 <u>TOTAL BUSINESS</u>	 100.0	 109.4	 119.7	 130.7	 142.1	 153.8

TABLE 8

DISTRIBUTION OF CAPITAL INVESTMENT BY
DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	<u>Domestic</u>		<u>Foreign</u>	
	<u>1980</u>	<u>1981</u>	<u>1980</u>	<u>1981</u>
Atlantic	76	61	24	39
Quebec	86	83	14	17
Ontario	68	68	32	32
Prairies	43	49	57	51
B.C. & Northern	57	57	43	43
	—	—	—	—
<u>CANADA</u>	<u>61</u>	<u>61</u>	<u>39</u>	<u>39</u>

TABLE 9

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u>	<u>1981/1980</u>	<u>1980</u>	<u>1981</u>
<u>Domestic Majority Owned</u>	(%)	(%)	(%)	(%)
Atlantic	23.6	9.2	2.8	21.6
Quebec	6.1	6.4	-0.5	5.0
Ontario	21.0	33.2	-7.9	1.9
Prairies	27.5	48.5	-3.5	8.3
B.C. & Northern	36.6	8.1	-3.4	0.1
	—	—	—	—
<u>CANADA</u>	<u>19.7</u>	<u>25.2</u>	<u>-3.9</u>	<u>4.5</u>
<u>Foreign Majority Owned</u>				
Atlantic	8.2	122.6	12.4	57.8
Quebec	43.0	27.3	0.4	17.9
Ontario	71.2	34.3	-5.1	17.5
Prairies	38.4	17.7	6.4	8.7
B.C. & Northern	41.6	7.5	-0.7	2.1
	—	—	—	—
<u>CANADA</u>	<u>36.4</u>	<u>26.2</u>	<u>1.9</u>	<u>14.0</u>

Note: Actual 1979, preliminary actual 1980 and intentions 1981.
See Table 9A for the dollar levels for 1979, 1980 and 1981.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1979-1981

(Current \$ Millions)

DOMESTIC OWNED COMPANIES/FOREIGN OWNED COMPANIES

ALL INDUSTRIES

<u>DOMESTIC</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Atlantic	1,023	1,265	1,382
Quebec	3,991	4,238	4,511
Ontario	3,973	4,811	6,410
Prairies	2,553	3,257	4,840
B.C. & Northern	1,516	2,073	2,242
<u>CANADA</u>	<u>14,031</u>	<u>16,799</u>	<u>21,037</u>
<u>FOREIGN</u>			
Atlantic	367	398	886
Quebec	491	702	895
Ontario	1,297	2,221	2,985
Prairies	3,108	4,302	5,065
B.C. & Northern	1,111	1,574	1,694
<u>CANADA</u>	<u>7,701</u>	<u>10,509</u>	<u>13,270</u>

Note: Actual 1979, preliminary actual 1980 and intentions 1981.

TABLE 10

DISTRIBUTION OF CAPITAL INVESTMENT BY
PUBLIC AND PRIVATE FIRMS WITHIN REGIONS

	Public		Private	
	1980	1981	1980	1981
	(%)		(%)	
Atlantic	49	39	51	61
Quebec	61	57	39	43
Ontario	29	29	71	71
Prairies	18	18	82	82
B.C. & Northern	24	25	76	75
	—	—	—	—
<u>CANADA</u>	<u>31</u>	<u>30</u>	<u>69</u>	<u>70</u>

TABLE 11

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change		Between Survey Revisions	
	1980/1979	1981/1980	1980	1981
	(%)	(%)	(%)	(%)
<u>Public Majority Owned</u>				
Atlantic	14.7	8.3	3.3	26.6
Quebec	1.2	1.3	0.8	4.5
Ontario	7.0	31.8	-10.4	-5.4
Prairies	22.7	32.2	2.8	9.9
B.C. & Northern	9.5	13.6	0.2	-0.8
	—	—	—	—
<u>CANADA</u>	<u>8.4</u>	<u>19.2</u>	<u>-2.2</u>	<u>2.9</u>
<u>Private Majority Owned</u>				
Atlantic	24.4	63.0	6.5	38.3
Quebec	27.7	21.9	-2.1	10.2
Ontario	48.3	34.3	-5.6	12.0
Prairies	36.1	30.7	1.7	8.2
B.C. & Northern	51.5	6.1	-3.0	1.6
	—	—	—	—
<u>CANADA</u>	<u>35.4</u>	<u>28.5</u>	<u>-1.5</u>	<u>10.2</u>

Note: Actual 1979, preliminary actual 1980 and intentions 1981.
See Table 11A for the dollar levels for 1979, 1980 and 1981.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1979-1981

(Current \$ Millions)

PRIVATE COMPANIES/PUBLIC COMPANIES

ALL INDUSTRIES

<u>PUBLIC</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Atlantic	706	810	878
Quebec	2,970	3,008	3,049
Ontario	1,899	2,033	2,680
Prairies	1,126	1,383	1,830
B.C. & Northern	800	876	995
<u>CANADA</u>	<u>7,863</u>	<u>8,526</u>	<u>10,170</u>
<u>PRIVATE</u>			
Atlantic	685	852	1,390
Quebec	1,512	1,932	2,357
Ontario	3,371	4,999	6,715
Prairies	4,535	6,176	8,075
B.C. & Northern	1,828	2,771	2,940
<u>CANADA</u>	<u>13,868</u>	<u>18,781</u>	<u>24,138</u>

Note: Actual 1979, preliminary actual 1980 and intentions 1981.

TABLE 12

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES 1979-1984

(Current \$ Millions)

<u>SURVEY/REGION</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
<u>October 1980</u>							
Atlantic (67)	1,197	1,289	1,783	2,173	2,202	2,392	11,036
Quebec (108)	4,185	4,554	4,985	5,209	5,677	6,232	30,842
Ontario (144)	4,732	5,988	7,812	8,124	7,953	6,923	41,532
Prairies (124)	4,993	6,482	8,522	9,852	11,067	10,880	51,796
B.C. & Northern (100)	2,315	3,207	3,452	3,778	4,004	4,162	20,918
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>CANADA (255)</u>	<u>19,971</u>	<u>24,457</u>	<u>30,443</u>	<u>33,562</u>	<u>35,817</u>	<u>36,024</u>	<u>180,274</u>
 <u>April 1980</u>							
Atlantic (67)	1,204	1,285	1,317	1,411	1,290	1,228	7,735
Quebec (108)	4,193	4,535	4,581	4,635	5,359	5,864	29,167
Ontario (144)	4,809	6,454	7,420	7,656	7,548	6,750	40,637
Prairies (124)	5,077	6,351	7,753	7,839	8,186	8,504	43,710
B.C. & Northern (100)	2,394	3,285	3,403	3,504	3,667	3,615	19,868
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>CANADA (255)</u>	<u>20,141</u>	<u>24,785</u>	<u>28,091</u>	<u>29,396</u>	<u>30,908</u>	<u>31,219</u>	<u>164,540</u>

Note: Actual 1979, preliminary actual 1980 and intentions 1981-84. Only those firms which reported for the October 1980 and April 1980 Surveys for the years 1979-1984 (each and every year) are used in this table, i.e. a matched panel. The number of reporting companies is provided in brackets after the name of each region. See Appendix, point (1) for the explanation of matching.

TABLE 13

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

Between Survey Revisions

	<u>1979-1981</u>	<u>1982-1984</u>	<u>1979-1984</u>
Atlantic	12.1	72.2	42.7
Quebec	3.1	8.0	5.7
Ontario	-0.8	4.8	2.2
Prairies	4.3	29.6	18.5
B.C. & Northern	-1.2	10.7	5.3
	-----	-----	-----
<u>CANADA</u>	<u>2.5</u>	<u>15.2</u>	<u>9.7</u>

TABLE 14

CONSIDERED INVESTMENT

Percent Distribution

<u>Companies with H.Q. in:</u>	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Atlantic (3 of 15)	0.2	*	0.2
Quebec (12 of 47)	12.4	4.3	16.7
Ontario (19 of 144)	3.0	18.6	21.6
Prairies (12 of 57)	0.7	47.1	47.8
B.C. & Northern (9 of 31)	4.6	9.1	13.7
	-----	-----	-----
<u>All Companies</u> (55 of 295)	<u>20.9</u>	<u>79.1</u>	<u>100.0</u>
			<u>(\$11,362)</u>

Note: The number of reporting companies is provided in brackets.

* Less than .05 percent.

TABLE 15

FACTORS REPORTED AS AFFECTING CURRENT AND CONSIDERED INVESTMENT SPENDING

(Frequency of Response)

FACTOR/REGION OF H.Q.	ATLANTIC		QUEBEC		ONTARIO		PRAIRIES		B.C. & NORTHERN		TOTAL	
	P81	S80	P81	S80	P81	S80	P81	S80	P81	S80	P81	S80
Cdn. Fed. Gov't Policies	2	2	16	12	50	29	21	18	11	7	94	68
Other Cdn. Gov't Policies	2	1	11	10	30	21	18	12	6	3	62	47
Foreign Gov't Policies	1	1	2	4	17	14	6	3	3	3	26	25
Exchange Rates	1	1	5	3	31	20	3	6	6	3	41	33
Non-Tariff Barriers Canada	-	-	2	-	5	1	-	-	-	-	6	1
Cdn. Tariffs Too High	1	1	1	-	1	-	1	-	2	-	5	1
Cdn. Tariffs Too Low	-	-	2	1	2	1	1	-	-	-	4	2
Barriers Abroad	-	-	1	-	3	1	2	-	-	1	5	2
Other Trading Factors	-	-	-	-	2	3	2	-	1	-	4	3
Expected Cash Flow	1	3	14	12	52	29	11	6	5	5	76	55
Rates of Return	1	1	10	5	42	28	8	4	4	-	60	38
Other Internal Fin. Cond.	3	1	1	2	9	9	1	-	1	-	13	12
Cost of Funds	2	4	10	8	46	34	9	10	2	6	62	62
Availability of Funds	-	-	4	2	15	10	-	1	2	4	18	17
Other External Fin. Cond.	-	-	1	1	6	3	-	-	1	-	7	4
Other Fin. & Mon. Factors	-	-	2	1	1	3	1	1	-	-	3	5
Raw Material Shortages	-	-	3	3	3	8	1	2	4	5	10	18
Mach. & Equip. Shortages	-	-	2	1	5	1	1	2	-	-	7	4
Manpower Shortages	1	1	1	-	16	5	11	7	6	1	32	14
Labour Problems	-	-	2	1	11	6	2	2	4	-	17	9
Expected Sales in Canada	3	3	8	4	41	25	13	5	4	2	63	39
Expected Sales Abroad	1	-	13	3	23	13	11	5	9	3	53	24
Exp. Econ. Cond. in Canada	1	1	10	8	47	28	6	3	4	5	61	45
Exp. Econ. Cond Abroad	1	1	8	5	16	17	2	1	6	3	30	27
Other Factors	-	-	1	2	5	4	1	2	-	-	6	8
<u>Sample Size</u>	<u>15</u>	<u>15</u>	<u>47</u>	<u>50</u>	<u>144</u>	<u>145</u>	<u>57</u>	<u>57</u>	<u>31</u>	<u>33</u>	<u>295</u>	<u>300</u>

S80 = April 1980 Survey
P81 = October 1980 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1979-84
AS REPORTED IN CURRENT DOLLARS FOR THE OCTOBER, 1980 SURVEY

(1979 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Food & Beverage	295.0	100.0	120.1	127.1	112.7	117.4	115.6
Forest Products	863.0	100.0	146.8	241.7	204.2	162.2	183.9
Primary Metal	832.1	100.0	156.5	210.9	218.3	192.2	166.0
Chemicals	602.5	100.0	101.7	192.7	221.2	282.4	240.6
Transportation Equipment	358.1	100.0	160.9	177.1	196.0	305.1	102.9
Other Manufacturing	785.3	100.0	113.5	133.0	129.7	124.8	130.6
<u>Total Manufacturing</u>	<u>3,736.0</u>	<u>100.0</u>	<u>133.9</u>	<u>188.8</u>	<u>186.4</u>	<u>190.6</u>	<u>164.7</u>
Mining Companies	861.5	100.0	169.3	205.2	215.0	176.9	169.9
Oil & Gas Companies	4,683.4	100.0	132.5	170.0	226.9	252.8	264.7
Oil & Gas Pipelines	570.6	100.0	134.8	199.9	140.4	123.8	128.9
Transportation & Storage	974.6	100.0	110.6	170.2	159.5	174.4	195.1
Communications	2,011.3	100.0	115.3	132.0	142.6	133.9	138.4
Electric Utilities	6,357.5	100.0	104.5	110.3	121.9	140.9	149.5
Trade, Finance & Other Commercial	776.0	100.0	127.1	154.1	147.4	164.5	140.4
<u>Total Non-Manufacturing</u>	<u>16,234.9</u>	<u>100.0</u>	<u>119.8</u>	<u>144.1</u>	<u>163.8</u>	<u>176.8</u>	<u>184.0</u>
<u>TOTAL</u>	<u>19,970.9</u>	<u>100.0</u>	<u>122.5</u>	<u>152.4</u>	<u>168.1</u>	<u>179.4</u>	<u>180.4</u>

* Only those firms which reported for the April 1980 and again for October 1980 Survey for the years 1979-84 (each and every year) are used in this table, namely 255 firms.

TABLE 17

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1979-84
AS REPORTED IN CURRENT DOLLARS FOR THE APRIL 1980 SURVEY

(1979 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Food & Beverage	316.1	100.0	117.2	113.1	106.3	99.0	100.8
Forest Products	868.6	100.0	157.4	190.0	176.9	153.3	160.8
Primary Metal	832.0	100.0	163.9	209.7	191.1	167.1	154.8
Chemicals	601.9	100.0	113.0	140.9	162.6	150.8	113.2
Transportation Equipment	364.7	100.0	182.1	118.6	136.8	229.0	92.0
Other Manufacturing	782.9	100.0	119.1	122.2	118.8	116.4	119.8
<u>Total Manufacturing</u>	<u>3,766.2</u>	<u>100.0</u>	<u>142.8</u>	<u>159.1</u>	<u>155.9</u>	<u>151.0</u>	<u>131.6</u>
Mining Companies	868.5	100.0	172.0	185.9	172.2	134.7	163.2
Oil & Gas Companies	4,703.5	100.0	120.2	141.4	166.2	181.2	188.9
Oil & Gas Pipelines	575.5	100.0	152.7	206.7	129.1	135.1	109.5
Transportation & Storage	977.5	100.0	116.1	170.8	169.9	178.6	169.0
Communications	2,018.4	100.0	114.9	122.5	124.1	127.4	137.7
Electric Utilities	6,444.4	100.0	106.8	113.9	127.5	145.9	152.6
Trade, Finance & Other Commercial	787.4	100.0	132.8	147.9	137.8	130.7	134.7
<u>Total Non-Manufacturing</u>	<u>16,375.2</u>	<u>100.0</u>	<u>118.5</u>	<u>134.9</u>	<u>143.7</u>	<u>154.0</u>	<u>160.4</u>
<u>TOTAL</u>	<u>20,141.4</u>	<u>100.0</u>	<u>123.1</u>	<u>139.5</u>	<u>145.9</u>	<u>153.5</u>	<u>155.0</u>

* Only those firms which reported for the April 1980 and again for October 1980 Survey for the years 1979-84 (each and every year) are used in this table, namely 255 firms.

TABLE 18

TYPES OF CHANGES IN PLANS

(Percent Distribution of Response)

<u>Type of Change</u>	<u>1980</u>	<u>1981</u>	<u>1982-84</u>
Abandoned Plans	5.4	2.1	3.0
Deferred Plans	16.4	9.4	5.7
Reduced Existing Plans	18.2	8.6	6.0
Expanded Existing Plans	8.8	19.5	19.3
Introduced New Plans	10.7	19.0	22.0
Brought Forward Plans from Future Years	3.2	4.0	3.3
Re-introduced Deferred Plans	1.1	7.0	6.9
No Change in Plans	35.7	30.5	33.7
Not Specified	0.5	-	-
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Number of Responses	373	374	332
Number of Companies	269	254	233

TABLE 19
REASONS FOR CHANGES IN PLANS

1980

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	5.8	7.2	-	13.0
Market Demand - Foreign	1.6	3.4	-	5.0
Capacity	4.2	1.8	-	6.0
Rate of Return	1.6	3.4	-	5.0
Financing - External	0.8	1.6	0.2	2.6
Financing - Internal	0.8	4.2	-	5.0
Costs - Labour	0.2	-	-	0.2
Costs - Other	0.8	1.8	-	2.6
Strikes	0.2	1.4	-	1.6
Government Regulations	2.8	3.4	-	6.2
Better Estimates	6.0	12.3	1.0	19.3
Carry-overs	1.2	8.2	0.2	9.6
Other Reasons	2.6	7.0	0.4	10.0
Not Specified	2.2	3.6	7.6	13.4
TOTAL	<u>31.0</u>	<u>59.6</u>	<u>9.5</u>	<u>100.0</u>
Number of Responses	154	296	47	497
Number of Companies	80	144	45	269

Note: Totals may not add due to rounding.

TABLE 20
REASONS FOR CHANGES IN PLANS

1981

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	10.4	2.7	0.4	13.5
Market Demand - Foreign	4.8	1.5	0.4	6.7
Capacity	6.6	0.8	-	7.4
Rate of Return	5.0	1.5	-	6.5
Financing - External	1.5	0.8	-	2.3
Financing - Internal	3.1	1.2	-	4.3
Costs - Labour	1.4	-	-	1.4
Costs - Other	1.5	0.6	-	2.1
Strikes	0.4	0.2	0.2	0.8
Government Regulations	4.3	1.0	-	5.3
Better Estimates	13.3	4.1	0.6	18.0
Carry-overs	7.2	1.9	0.6	9.7
Other Reasons	7.0	1.5	0.8	9.3
Not Specified	3.9	0.8	8.1	12.8
TOTAL	<u>70.4</u>	<u>18.6</u>	<u>11.0</u>	<u>100.0</u>
Number of Responses	364	96	57	517
Number of Companies	151	53	50	254

Note: Totals may not add due to rounding.

TABLE 21

REASONS FOR CHANGES IN PLANS

1982 - 1984

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	13.3	2.0	0.4	15.7
Market Demand - Foreign	5.1	0.2	0.2	5.5
Capacity	6.9	0.9	0.2	8.0
Rate of Return	6.7	1.3	-	8.0
Financing - External	2.0	-	-	2.0
Financing - Internal	1.3	1.6	-	2.9
Costs - Labour	1.3	-	-	1.3
Costs - Other	0.9	0.7	-	1.6
Strikes	0.2	0.2	-	0.4
Government Regulations	3.8	1.3	0.2	5.3
Better Estimates	13.8	4.2	0.2	18.2
Carry-overs	4.0	1.8	0.2	6.0
Other Reasons	6.0	1.3	0.4	7.7
Not Specified	3.8	2.4	10.9	17.1
TOTAL	<u>69.1</u>	<u>18.0</u>	<u>12.9</u>	<u>100.0</u>
Number of Responses	311	81	58	450
Number of Companies	136	43	54	233

Note: Totals may not add due to rounding.

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1980

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	0.7	3.4	5.7	0.7	1.0	-	-	0.3	0.3	12.2
Market Demand-Foreign	0.7	2.0	2.4	-	0.7	-	-	-	-	5.7
Capacity	-	0.7	1.0	0.3	0.7	-	-	-	0.3	3.0
Rate of Return	1.4	3.0	0.7	-	0.7	-	-	-	-	5.7
Financing - External	1.0	1.4	-	-	-	-	0.3	-	-	2.7
Financing - Internal	1.4	3.0	2.0	-	-	-	0.3	0.3	-	7.1
Costs - Labour	-	-	-	-	-	-	-	-	-	-
Costs - Other	0.7	1.0	0.7	-	-	-	-	0.7	-	3.0
Strikes	0.3	1.0	1.0	-	-	-	-	-	-	2.4
Government Regulations	0.7	2.0	1.7	0.3	0.3	0.3	-	0.3	-	5.7
Better Estimates	0.3	2.7	4.7	0.7	1.0	0.7	-	10.1	0.3	20.6
Carry-overs	0.7	1.0	7.4	0.3	-	0.3	-	4.1	-	13.9
Other Reasons	1.0	5.1	2.4	0.3	0.7	0.3	-	2.0	-	11.8
Not Specified	-	0.7	1.4	-	0.3	-	-	3.7	-	6.1
TOTAL	8.8	27.0	31.1	2.7	5.4	1.7	0.7	21.6	1.0	100.0

Number of Responses 296

Number of Companies 144

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1980

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	1.3	1.3	3.9	8.4	1.3	1.3	1.3	-	18.8
Market Demand-Foreign	-	-	-	1.9	1.9	1.3	-	-	-	5.2
Capacity	-	-	-	5.8	3.9	1.9	0.6	1.3	-	13.6
Rate of Return	0.6	-	-	0.6	3.2	0.6	-	-	-	5.2
Financing - External	-	-	-	-	1.9	-	-	0.6	-	2.6
Financing - Internal	-	-	-	1.3	-	0.6	-	0.6	-	2.6
Costs - Labour	-	-	-	-	-	-	-	0.6	-	0.6
Costs - Other	-	-	0.6	0.6	-	-	-	1.3	-	2.6
Strikes	-	-	0.6	-	-	-	-	-	-	0.6
Government Regulations	0.6	1.9	0.6	1.3	3.2	0.6	0.6	-	-	9.1
Better Estimates	-	-	-	4.5	-	-	0.6	13.6	-	19.5
Carry-overs	-	0.6	1.9	1.9	-	-	-	-	-	3.9
Other Reasons	-	-	-	1.9	3.2	0.6	-	2.6	-	8.4
Not Specified	-	-	-	0.6	-	-	-	6.5	-	7.1
TOTAL	1.3	3.9	5.2	24.7	26.0	7.1	3.2	28.6	-	100.0

Number of Responses 154

Number of Companies 80

TABLE 24

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	2.1	6.3	4.2	1.0	1.0	-	-	-	-	14.6
Market Demand-Foreign	1.0	3.1	2.1	1.0	1.0	-	-	-	-	8.3
Capacity	-	2.1	2.1	-	-	-	-	-	-	4.2
Rate of Return	2.1	6.3	-	-	-	-	-	-	-	8.3
Financing - External	-	2.1	1.0	-	-	-	1.0	-	-	4.2
Financing - Internal	-	2.1	4.2	-	-	-	-	-	-	6.3
Costs - Labour	-	-	-	-	-	-	-	-	-	-
Costs - Other	-	1.0	2.1	-	-	-	-	-	-	3.1
Strikes	1.0	-	-	-	-	-	-	-	-	1.0
Government Regulations	-	2.1	2.1	-	-	-	1.0	-	-	5.2
Better Estimates	-	5.2	3.1	-	-	1.0	-	12.5	-	21.9
Carry-overs	-	3.1	5.2	-	-	-	-	2.1	-	10.4
Other Reasons	1.0	2.1	3.1	-	1.0	-	-	1.0	-	8.3
Not Specified	-	1.0	-	-	-	-	-	3.1	-	4.2
TOTAL	7.3	36.5	29.2	2.1	3.1	1.0	2.1	18.8	-	100.0

Number of Responses 96

Number of Companies 53

TABLE 25

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	1.1	0.5	4.9	5.8	0.8	1.1	0.5	-	14.8
Market Demand-Foreign	0.3	0.8	0.8	1.9	2.2	0.3	0.5	-	-	6.9
Capacity	-	-	-	3.3	4.4	0.5	0.5	0.5	-	9.3
Rate of Return	0.3	0.3	0.3	1.9	3.6	0.8	-	-	-	7.1
Financing - External	-	-	-	0.5	1.1	-	0.3	0.3	-	2.2
Financing - Internal	-	0.3	0.5	0.8	0.8	-	1.4	0.5	-	4.4
Costs - Labour	0.3	0.3	-	0.3	0.5	-	0.5	-	-	1.9
Costs - Other	-	0.5	0.3	0.5	0.5	-	-	0.3	-	2.2
Strikes	-	-	-	-	-	0.3	0.3	-	-	0.5
Government Regulations	-	0.3	0.3	1.4	2.5	0.5	0.8	0.3	-	6.0
Better Estimates	-	0.5	1.1	5.8	1.4	0.3	1.4	8.5	-	19.0
Carry-overs	-	0.3	1.1	6.0	0.5	0.3	0.5	1.4	-	10.2
Other Reasons	-	0.8	-	1.4	4.1	0.8	1.1	1.6	-	9.9
Not Specified	0.3	-	0.3	0.8	0.8	-	-	3.3	-	5.5
TOTAL	1.1	5.2	5.2	29.7	28.3	4.7	8.5	17.3	-	100.0

Number of Responses 364

Number of Companies 151

TABLE 26

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1982 - 1984

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	1.2	3.7	2.5	2.5	1.2	-	-	-	-	11.1
Market Demand-Foreign	-	-	-	1.2	-	-	-	-	-	1.2
Capacity	-	1.2	1.2	1.2	1.2	-	-	-	-	4.9
Rate of Return	2.5	1.2	3.7	-	-	-	-	-	-	7.4
Financing - External	-	-	-	-	-	-	-	-	-	-
Financing - Internal	1.2	3.7	1.2	1.2	-	-	1.2	-	-	8.6
Costs - Labour	-	-	-	-	-	-	-	-	-	-
Costs - Other	-	-	2.5	-	-	-	1.2	-	-	3.7
Strikes	1.2	-	-	-	-	-	-	-	-	1.2
Government Regulations	-	4.9	2.5	-	-	-	-	-	-	7.4
Better Estimates	-	1.2	3.7	3.7	1.2	-	1.2	12.3	-	23.5
Carry-overs	-	-	4.9	3.7	-	-	1.2	-	-	9.9
Other Reasons	1.2	2.5	1.2	-	1.2	-	-	1.2	-	7.4
Not Specified	1.2	-	2.5	-	1.2	-	-	8.6	-	13.6
TOTAL	8.6	18.5	25.9	13.6	6.2	-	4.9	22.2	-	100.0

Number of Responses 81

Number of Companies 43

TABLE 27

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1982 - 1984

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	0.6	0.6	6.4	7.7	1.0	2.6	0.3	-	19.3
Market Demand-Foreign	0.6	-	0.3	2.3	3.2	0.6	0.3	-	-	7.4
Capacity	0.3	-	0.3	2.9	6.1	-	0.3	-	-	10.0
Rate of Return	0.6	0.6	-	1.9	4.5	-	1.9	-	-	9.6
Financing - External	-	-	-	1.0	1.0	0.3	0.3	0.3	-	2.9
Financing - Internal	-	0.3	-	0.6	0.6	-	0.3	-	-	1.9
Costs - Labour	-	0.3	-	-	0.3	0.3	0.3	0.6	-	1.9
Costs - Other	-	-	-	-	0.3	0.3	-	0.6	-	1.3
Strikes	-	-	-	-	-	0.3	-	-	-	0.3
Government Regulations	0.3	0.3	0.3	1.3	1.9	0.3	1.0	-	-	5.5
Better Estimates	-	0.3	-	6.8	3.2	0.6	1.3	7.7	-	19.9
Carry-overs	-	-	0.3	4.2	-	-	0.3	1.0	-	5.8
Other Reasons	0.3	0.3	0.3	1.3	2.6	1.0	1.0	1.9	-	8.7
Not Specified	-	-	-	0.6	0.6	0.3	-	3.9	-	5.5
TOTAL	2.3	2.9	2.3	29.3	32.2	5.1	9.6	16.4	-	100.0

Number of Responses 311

Number of Companies 136

TABLE 28

TOTAL CAPITAL EXPENDITURES BY PURPOSE

	<u>Number of Reporting Companies</u>	<u>1980</u>	<u>1981</u>
		(\$ Millions)	
Research and Development	78	354.6	466.1
Pollution Abatement	107	571.9	761.1
Working Environment	96	162.7	212.1
Expansion of Facilities - Existing Sites	184	6,202.8	8,554.8
Upgrading & Replacement of Existing Facilities	208	3,819.5	5,175.7
Expansion of Facilities - New Sites	117	8,051.4	10,131.3
Other	88	3,985.8	4,077.0
<u>TOTAL</u>	<u>257</u>	<u>23,148.7</u>	<u>29,378.1</u>

Note: Preliminary actual 1980 and intentions 1981.

TABLE 29

TOTAL CAPITAL EXPENDITURES BY PURPOSE

(Percent Distribution* of Total)

	<u>Manufacturing</u>		<u>Non-</u> <u>Manufacturing</u>		<u>Total</u>	
	<u>1980</u>	<u>1981</u>	<u>1980</u>	<u>1981</u>	<u>1980</u>	<u>1981</u>
Research and Development	1.0	0.9	1.7	1.8	1.5	1.6
Pollution Abatement	4.3	4.6	1.9	1.9	2.5	2.6
Working Environment	1.8	1.7	0.4	0.4	0.7	0.7
Expansion of Facilities - Existing Sites	35.3	36.5	24.3	26.7	26.8	29.1
Upgrading & Replacement of Existing Facilities	32.3	34.4	11.9	12.0	16.5	17.6
Expansion of Facilities - New Sites	10.9	11.0	41.8	42.3	34.8	34.5
Other	14.4	10.8	18.0	14.9	17.2	13.9
<u>TOTAL</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

* Percentages may not add to 100% due to rounding.

TABLE 30

CAPITAL EXPENDITURES BY PURPOSE

(Year-to-Year Percent Change in Level of Spending)

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Total</u>
Research and Development	32.6	31.2	31.4
Pollution Abatement	53.2	20.1	33.0
Working Environment	35.3	23.3	30.3
Expansion of Facilities - Existing Sites	44.6	35.0	37.9
Upgrading & Replacement of Existing Facilities	49.4	24.3	35.5
Expansion of Facilities - New Sites	40.9	24.6	25.8
Other	5.0	1.6	2.2
<u>TOTAL*</u>	<u>40.1</u>	<u>23.0</u>	<u>26.9</u>

* The year-to-year changes in total investment here are different from those reported in Table 2. This is due to differences in coverage.

TABLE 31

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

ATLANTIC REGION

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	250 (4,680)	276 (6,514)	483 (9,027)	10.4 (39.1)	75.1 (38.5)	-1.9 (-6.7)	40.8 (15.8)
Non-manufacturing	1,141 (17,052)	1,387 (20,794)	1,784 (25,281)	21.5 (21.9)	28.6 (21.5)	6.4 (0.0)	31.7 (5.4)
TOTAL	1,391 (21,732)	1,663 (27,308)	2,267 (34,308)	19.5 (25.6)	36.3 (25.6)	4.9 (-1.7)	33.5 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Foreign Majority Owned</u>				
Manufacturing	-4.5 (40.0)	165.0 (32.0)	16.9 (-5.9)	67.8 (15.7)
Non-Manufacturing	14.7 (34.7)	104.6 (23.4)	10.6 (6.2)	52.7 (13.1)
TOTAL	8.2 (36.4)	122.6 (26.2)	12.4 (1.9)	57.8 (14.0)
<u>Domestic Majority Owned</u>				
Manufacturing	25.0 (38.2)	7.1 (45.9)	-12.5 (-7.7)	8.2 (15.8)
Non-Manufacturing	23.3 (16.2)	9.5 (20.5)	5.4 (-3.0)	23.7 (1.8)
TOTAL	23.6 (19.7)	9.2 (25.2)	2.8 (-3.9)	21.6 (4.5)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 33

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	1980/1979 (%)	1981/1980 (%)	1980 (%)	1981 (%)
<u>Total Government Majority Owned</u>	14.7 (8.4)	8.3 (19.2)	3.3 (-2.2)	26.6 (2.9)
<u>Total Private Majority Owned</u>	24.4 (35.4)	63.0 (28.5)	6.5 (-1.5)	38.3 (10.2)
Manufacturing	14.5 (40.8)	77.2 (33.4)	0.3 (-7.1)	42.5 (12.7)
Non-Manufacturing	29.5 (32.8)	56.6 (26.0)	9.6 (1.6)	36.3 (8.9)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 34

EXPECTATIONS FOR 1980 AND 1981
BY COMPANIES HEADQUARTERED IN THE ATLANTIC REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	75.0 (66.0)	25.0 (15.2)	- (18.8)	83.3 (72.0)	16.6 (20.4)	- (7.6)
Export Sales	62.5 (51.7)	25.0 (22.6)	12.5 (25.6)	71.4 (51.9)	28.5 (32.6)	- (15.3)
Profits	54.5 (58.6)	27.2 (11.4)	18.1 (29.9)	63.6 (60.7)	9.0 (20.0)	27.2 (19.2)
Corporate Employment in Canada	33.3 (45.1)	50.0 (39.3)	16.6 (15.4)	33.3 (50.0)	58.3 (42.6)	8.3 (7.3)
Corporate Financial Conditions	16.6 (40.2)	50.0 (37.0)	33.3 (22.7)	25.0 (41.2)	50.0 (46.4)	25.0 (12.3)
Canadian Business Conditions	8.3 (11.7)	58.3 (34.5)	33.3 (53.6)	8.3 (30.3)	58.3 (43.7)	33.3 (25.9)
Foreign Investment Climate	33.3 (34.9)	33.3 (53.1)	33.3 (11.9)	33.3 (41.7)	33.3 (50.3)	33.3 (7.8)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 15 firms in the Survey panel with headquarters in the Atlantic Region.

TABLE 35

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

QUEBEC

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	769 (4,680)	957 (6,514)	1,298 (9,027)	24.4 (39.1)	35.6 (38.5)	1.5 (-6.7)	25.5 (15.8)
Non-manufacturing	3,713 (17,052)	3,983 (20,794)	4,108 (25,281)	7.2 (21.9)	3.1 (21.5)	-0.8 (0.0)	2.2 (5.4)
TOTAL	4,482 (21,732)	4,940 (27,308)	5,406 (34,308)	10.2 (25.6)	9.4 (25.6)	-0.4 (-1.7)	6.9 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 36

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Foreign Majority Owned</u>				
Manufacturing	33.2 (40.0)	14.7 (32.0)	2.5 (-5.9)	8.7 (15.7)
Non-Manufacturing	54.8 (34.7)	40.5 (23.4)	-1.6 (6.2)	27.1 (13.1)
TOTAL	43.0 (36.4)	27.3 (26.2)	0.4 (1.9)	17.9 (14.0)
<u>Domestic Majority Owned</u>				
Manufacturing	19.6 (38.2)	48.1 (45.9)	0.9 (-7.7)	35.1 (15.8)
Non-Manufacturing	4.2 (16.2)	-0.5 (20.5)	-0.7 (-3.0)	-0.4 (1.8)
TOTAL	6.1 (19.7)	6.4 (25.2)	-0.5 (-3.9)	5.0 (4.5)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 37

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Total Government Majority Owned</u>	1.2 (8.4)	1.3 (19.2)	0.8 (-2.2)	4.5 (2.9)
<u>Total Private Majority Owned</u>	27.7 (35.4)	21.9 (28.5)	-2.1 (-1.5)	10.2 (10.2)
Manufacturing	25.5 (40.8)	22.8 (33.4)	-0.7 (-7.1)	15.2 (12.7)
Non-Manufacturing	29.6 (32.8)	21.2 (26.0)	-3.2 (1.6)	6.3 (8.9)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 38

EXPECTATIONS FOR 1980 AND 1981
BY COMPANIES HEADQUARTERED IN THE QUEBEC REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	65.0 (66.0)	15.0 (15.2)	20.0 (18.8)	70.0 (72.0)	20.0 (20.4)	10.0 (7.6)
Export Sales	67.6 (51.7)	8.8 (22.6)	23.5 (25.6)	58.8 (51.9)	23.5 (32.6)	17.6 (15.3)
Profits	56.0 (58.6)	4.8 (11.4)	39.0 (29.9)	65.8 (60.7)	14.6 (20.0)	19.5 (19.2)
Corporate Employment in Canada	33.3 (45.1)	52.3 (39.3)	14.2 (15.4)	36.5 (50.0)	53.6 (42.6)	9.7 (7.3)
Corporate Financial Conditions	35.0 (40.2)	45.0 (37.0)	20.0 (22.7)	40.0 (41.2)	50.0 (46.4)	10.0 (12.3)
Canadian Business Conditions	12.8 (11.7)	33.3 (34.5)	53.8 (53.6)	23.0 (30.3)	51.2 (43.7)	25.6 (25.9)
Foreign Investment Climate	40.9 (34.9)	54.5 (53.1)	4.5 (11.9)	50.0 (41.7)	40.9 (50.3)	9.0 (7.8)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 47 firms in the Survey panel with headquarters in Quebec.

TABLE 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

ONTARIO

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	1,810 (4,680)	3,029 (6,514)	4,374 (9,027)	67.2 (39.1)	44.4 (38.5)	-9.4 (-6.7)	14.8 (15.8)
Non-manufacturing	3,460 (17,052)	4,003 (20,794)	5,021 (25,281)	15.7 (21.9)	25.4 (21.5)	-5.1 (0.0)	0.0 (5.4)
TOTAL	5,270 (21,732)	7,032 (27,308)	9,395 (34,308)	33.4 (25.6)	33.5 (25.6)	-7.0 (-1.7)	6.4 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 40

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Foreign Majority Owned</u>				
Manufacturing	76.0 (40.0)	33.2 (32.0)	-8.7 (-5.9)	14.9 (15.7)
Non-Manufacturing	55.2 (34.7)	38.5 (23.4)	11.5 (6.2)	27.8 (13.1)
TOTAL	71.2 (36.4)	34.3 (26.2)	-5.1 (1.9)	17.5 (14.0)
<u>Domestic Majority Owned</u>				
Manufacturing	56.5 (38.2)	59.8 (45.9)	-10.4 (-7.7)	14.6 (15.8)
Non-Manufacturing	11.9 (16.2)	23.6 (20.5)	-6.9 (-3.0)	-3.1 (1.8)
TOTAL	21.0 (19.7)	33.2 (25.2)	-7.9 (-3.9)	1.9 (4.5)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 41

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Total Government Majority Owned</u>	7.0 (8.4)	31.8 (19.2)	-10.4 (-2.2)	-5.4 (2.9)
<u>Total Private Majority Owned</u>	48.3 (35.4)	34.3 (28.5)	-5.6 (-1.5)	12.0 (10.2)
Manufacturing	65.1 (40.8)	37.2 (33.4)	-9.8 (-7.1)	11.2 (12.7)
Non-Manufacturing	29.5 (32.8)	30.1 (26.0)	1.1 (1.6)	13.2 (8.9)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 42

EXPECTATIONS FOR 1980 AND 1981
BY COMPANIES HEADQUARTERED IN ONTARIO*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	66.6 (66.0)	10.0 (15.2)	23.2 (18.8)	75.0 (72.0)	16.4 (20.4)	8.5 (7.6)
Export Sales	49.5 (51.7)	23.3 (22.6)	27.1 (25.6)	55.3 (51.9)	33.0 (32.6)	11.6 (15.3)
Profits	54.3 (58.6)	14.9 (11.4)	30.7 (29.9)	61.4 (60.7)	23.6 (20.0)	14.9 (19.2)
Corporate Employment in Canada	43.7 (45.1)	34.3 (39.3)	21.8 (15.4)	50.7 (50.0)	41.4 (42.6)	7.8 (7.3)
Corporate Financial Conditions	43.6 (40.2)	31.7 (37.0)	24.6 (22.7)	45.6 (41.2)	48.0 (46.4)	6.2 (12.3)
Canadian Business Conditions	9.5 (11.7)	30.1 (34.5)	60.3 (53.6)	40.9 (30.3)	38.5 (43.7)	20.4 (25.9)
Foreign Investment Climate	31.2 (34.9)	54.6 (53.1)	14.0 (11.9)	40.0 (41.7)	50.7 (50.3)	9.2 (7.8)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 144 firms in the Survey panel with headquarters in Ontario.

TABLE 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

PRAIRIE REGION

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	669 (4,680)	609 (6,514)	822 (9,027)	-9.0 (39.1)	34.8 (38.5)	-10.2 (-6.7)	20.7 (15.8)
Non-manufacturing	4,993 (17,052)	6,950 (20,794)	9,083 (25,281)	39.2 (21.9)	30.6 (21.5)	3.1 (0.0)	7.5 (5.4)
TOTAL	5,662 (21,732)	7,559 (27,308)	9,905 (34,308)	33.5 (25.6)	31.0 (25.6)	1.9 (-1.7)	8.5 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

MANITOBA & SASKATCHEWAN

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	99 (4,680)	115 (6,514)	133 (9,027)	16.2 (39.1)	15.7 (38.5)	-7.7 (-6.7)	3.1 (15.8)
Non-manufacturing	1,010 (17,052)	1,329 (20,794)	1,790 (25,281)	31.6 (21.9)	34.7 (21.5)	1.5 (0.0)	4.4 (5.4)
TOTAL	1,109 (21,732)	1,444 (27,308)	1,923 (34,308)	30.2 (25.6)	33.2 (25.6)	0.7 (-1.7)	4.3 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

ALBERTA

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	554 (4,680)	434 (6,514)	625 (9,027)	-21.7 (39.1)	43.8 (38.5)	-11.9 (-6.7)	27.5 (15.8)
Non-manufacturing	3,951 (17,052)	5,578 (20,794)	7,129 (25,281)	41.1 (21.9)	27.8 (21.5)	3.5 (0.0)	7.8 (5.4)
TOTAL	4,505 (21,732)	6,012 (27,308)	7,754 (34,308)	33.4 (25.6)	28.9 (25.6)	2.2 (-1.7)	9.2 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 46

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Foreign Majority Owned</u>				
Manufacturing	-25.7 (40.0)	22.0 (32.0)	-11.9 (-5.9)	15.2 (15.7)
Non-Manufacturing	49.2 (34.7)	17.3 (23.4)	8.3 (6.2)	8.2 (13.1)
TOTAL	38.4 (36.4)	17.7 (26.2)	6.4 (1.9)	8.7 (14.0)
<u>Domestic Majority Owned</u>				
Manufacturing	25.7 (38.2)	50.6 (45.9)	-7.9 (-7.7)	26.7 (15.8)
Non-Manufacturing	27.7 (16.2)	48.3 (20.5)	-3.1 (-3.0)	6.9 (1.8)
TOTAL	27.5 (19.7)	48.5 (25.2)	-3.5 (-3.9)	8.3 (4.5)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 47

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Total Government Majority Owned</u>	22.7 (8.4)	32.2 (19.2)	2.8 (-2.2)	9.9 (2.9)
<u>Total Private Majority Owned</u>	36.1 (35.4)	30.7 (28.5)	1.7 (-1.5)	8.2 (10.2)
Manufacturing	-9.1 (40.8)	34.5 (33.4)	-9.9 (-7.1)	21.6 (12.7)
Non-Manufacturing	43.9 (32.8)	30.3 (26.0)	3.1 (1.6)	6.9 (8.9)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 48

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Foreign Majority Owned</u>				
Manufacturing	-38.5 (40.0)	22.6 (32.0)	-12.3 (-5.9)	23.2 (15.7)
Non-Manufacturing	54.0 (34.7)	16.2 (23.4)	10.0 (6.2)	9.3 (13.1)
TOTAL	40.7 (36.4)	16.6 (26.2)	8.3 (1.9)	10.1 (14.0)
<u>Domestic Majority Owned</u>				
Manufacturing	22.1 (38.2)	71.9 (45.9)	-11.3 (-7.7)	31.8 (15.8)
Non-Manufacturing	21.5 (16.2)	50.1 (20.5)	-7.2 (-3.0)	5.6 (1.8)
TOTAL	21.6 (19.7)	52.1 (25.2)	-7.6 (-3.9)	7.8 (4.5)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 49

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Total Government Majority Owned</u>	14.0 (8.4)	40.2 (19.2)	-0.9 (-2.2)	15.0 (2.9)
<u>Total Private Majority Owned</u>	36.1 (35.4)	27.6 (28.5)	2.5 (-1.5)	8.5 (10.2)
Manufacturing	-21.7 (40.8)	43.8 (33.4)	-11.9 (-7.1)	27.5 (12.7)
Non-Manufacturing	45.5 (32.8)	26.2 (26.0)	4.0 (1.6)	6.9 (8.9)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 50

EXPECTATIONS FOR 1980 AND 1981
BY COMPANIES HEADQUARTERED IN THE PRAIRIE REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	70.8 (66.0)	20.8 (15.2)	8.3 (18.8)	65.3 (72.0)	26.5 (20.4)	8.1 (7.6)
Export Sales	47.0 (51.7)	38.2 (22.6)	14.7 (25.6)	42.8 (51.9)	40.0 (32.6)	17.1 (15.3)
Profits	81.2 (58.6)	4.1 (11.4)	14.5 (29.9)	55.1 (60.7)	18.3 (20.0)	26.5 (19.2)
Corporate Employment in Canada	62.0 (45.1)	34.0 (39.3)	4.0 (15.4)	64.0 (50.0)	30.0 (42.6)	6.0 (7.3)
Corporate Financial Conditions	42.5 (40.2)	42.5 (37.0)	14.8 (22.7)	36.1 (41.2)	42.5 (46.4)	21.2 (12.3)
Canadian Business Conditions	13.0 (11.7)	43.4 (34.5)	43.4 (53.6)	15.2 (30.3)	45.6 (43.7)	39.1 (25.9)
Foreign Investment Climate	37.5 (34.9)	50.0 (53.1)	12.5 (11.9)	45.8 (41.7)	50.0 (50.3)	4.1 (7.8)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 57 firms in the Survey panel with headquarters in the Prairie Region.

TABLE 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1979-1981

B.C. AND NORTHERN REGION

(Current \$ Millions)

	1979	1980	1981	Year-to-Year Percentage Change		Between Survey Revisions (%)	
				1980/1979	1981/1980	1980	1981
Manufacturing	780 (4,680)	1,131 (6,514)	1,360 (9,027)	44.9 (39.1)	20.2 (38.5)	-5.8 (-6..)	3.1 (15.8)
Non-manufacturing	1,847 (17,052)	2,516 (20,794)	2,575 (25,281)	36.2 (21.9)	2.3 (21.5)	-0.6 (0.0)	-0.2 (5.4)
TOTAL	2,627 (21,732)	3,647 (27,308)	3,935 (34,308)	38.7 (25.6)	7.9 (25.6)	-2.3 (-1.7)	0.9 (8.0)

Note: Actual 1979, preliminary actual 1980, and intentions 1981.

These are dollar amounts reported for the years 1979-81 from the October 1980 Survey by firms who reported in both the April 1980 and October 1980 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 52

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1980/1979</u> (%)	<u>1981/1980</u>	<u>1980</u> (%)	<u>1981</u>
<u>Foreign Majority Owned</u>				
Manufacturing	35.0 (40.0)	15.4 (32.0)	1.3 (-5.9)	8.8 (15.7)
Non-Manufacturing	44.0 (34.7)	4.9 (23.4)	-1.3 (6.2)	-0.1 (13.1)
TOTAL	41.6 (36.4)	7.5 (26.2)	-0.7 (1.9)	2.1 (14.0)
<u>Domestic Majority Owned</u>				
Manufacturing	50.9 (38.2)	22.9 (45.9)	-9.2 (-7.7)	0.5 (15.8)
Non-Manufacturing	29.9 (16.2)	0.0 (20.5)	0.0 (-3.0)	-0.2 (1.8)
TOTAL	36.6 (19.7)	8.1 (25.2)	-3.4 (-3.9)	0.1 (4.5)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 53

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	1980/1979 (%)	1981/1980 (%)	1980 (%)	1981 (%)
<u>Total Government Majority Owned</u>	9.5 (8.4)	13.6 (19.2)	0.2 (-2.2)	-0.8 (2.9)
<u>Total Private Majority Owned</u>	51.5 (35.4)	6.1 (28.5)	-3.0 (-1.5)	1.6 (10.2)
Manufacturing	44.9 (40.8)	20.2 (33.4)	-5.8 (-7.1)	3.1 (12.7)
Non-Manufacturing	56.5 (32.8)	-3.7 (26.0)	-1.0 (1.6)	0.2 (8.9)

Note: Preliminary actual 1980 and intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 54

EXPECTATIONS FOR 1980 AND 1981
BY COMPANIES HEADQUARTERED IN THE B.C. AND NORTHERN REGION*

(Percent Distribution of Response)

	1980/79			1981/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	45.0 (66.0)	30.0 (15.2)	25.0 (18.8)	65.0 (72.0)	35.0 (20.4)	- (7.6)
Export Sales	43.4 (51.7)	17.3 (22.6)	39.1 (25.6)	36.3 (51.9)	36.3 (32.6)	27.2 (15.3)
Profits	42.3 (58.6)	11.5 (11.4)	46.1 (29.9)	57.6 (60.7)	19.2 (20.0)	23.0 (19.2)
Corporate Employment in Canada	42.3 (45.1)	50.0 (39.3)	7.6 (15.4)	46.1 (50.0)	50.0 (42.6)	3.8 (7.3)
Corporate Financial Conditions	36.0 (40.2)	36.0 (37.0)	28.0 (22.7)	36.0 (41.2)	40.0 (46.4)	24.0 (12.3)
Canadian Business Conditions	18.1 (11.7)	31.8 (34.5)	50.0 (53.6)	22.7 (30.3)	50.0 (43.7)	27.2 (25.9)
Foreign Investment Climate	38.4 (34.9)	53.8 (53.1)	7.6 (11.9)	30.7 (41.7)	69.2 (50.3)	- (7.8)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 31 firms in the Survey panel with headquarters in the B.C. and Northern Region.

APPENDIX

- APPENDIX -

Survey of Business Capital Investment -
Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data because of the variation in the number of firms reporting in each year and in different surveys. Matching allows for consistency in making comparisons because only the data of those companies which have reported in the last two surveys for specified years, e.g., 1979, 1980 and 1981 are used. This is referred to as a 2 survey - 3 year matched panel.

The above system of matching is applied separately for each of the investment categories specified on a regional table. Hence it is clear that the regional totals obtained on a matched sample basis will not necessarily add to the matched Canada total.

2) The problem of companies in the Survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	<u>1980</u>	<u>1981</u>
	(Current	\$ Billions)
Totals as per Table 1	27.31	34.31
Amounts reported by region		
Atlantic	1.66	2.27
Quebec	4.94	5.41
Ontario	7.03	9.39
Prairies	7.56	9.90
B.C. & Northern Region	3.65	3.94
Unallocated Region*	.91	1.48
Total	<u>25.75</u>	<u>32.39</u>
Difference between totals	1.56	1.92
Portion of difference explained by "matching"	.86	1.08
Portion of difference explained by non-response	.70	.84

Note: Preliminary actual 1980 and intentions 1981.

* Include investment which was not specifically allocated to a particular region because it was uncertain which province or region it would take place in and expenditures on movable machinery and equipment which are not allocated to a specific region, i.e., rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than on an establishment basis would definitely affect the sectoral break-down of both the regional and Canada distribution, i.e., whether outlays were categorized as coming under manufacturing, resource industries, etc. Therefore, the IT&C sectoral coverage cannot be properly related to the Statistics Canada Private and Public Investment in Canada Survey (PPI) because investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's mainline of business.

4) The following table provides a breakdown of the number of companies reporting to the IT&C Survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the Survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>CANADA</u>
Mfg.	47	85	119	71	59	160
Non-Mfg.	40	45	62	83	64	135
TOTAL	87	130	181	154	123	295

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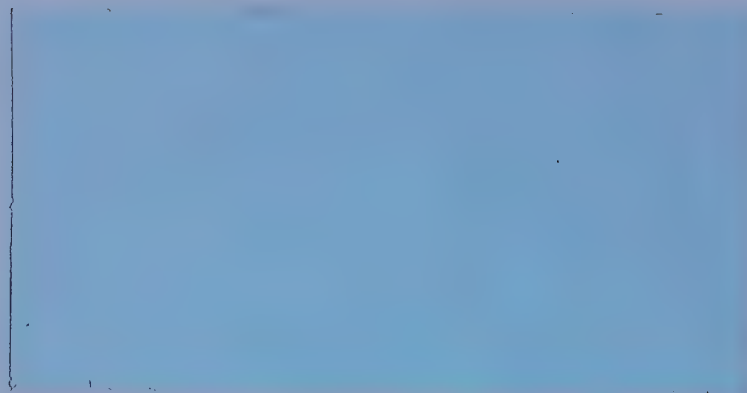
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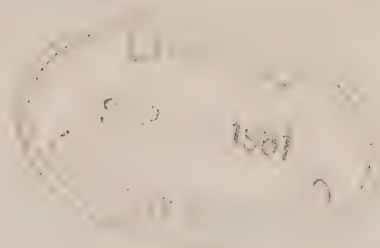
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REPORT OF THE
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INTENTIONS SURVEY
CONDUCTED IN APRIL 1981

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REPORT OF THE
IT&C CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN APRIL 1981

June, 1981
Capital Expenditures Group
Department of Industry, Trade
& Commerce, Ottawa

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Mr. A. Skahen, Analyst, Capital Expenditures Group, has been assigned the responsibility for answering any questions which arise from this report.

Nancy Chinfen,
Senior Analyst,
Capital Expenditures Group,
Department of Industry, Trade
and Commerce.

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PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce covering some 300 large corporations which was carried out in April 1981. The survey does not include smaller firms, nor investments in housing, agriculture or fishing. Direct government outlays are also excluded. The results therefore, cannot be extended directly to the economy as a whole without some adjustment.

The data provided in this report should only be regarded as the investment intentions, at a given point in time, of a panel of large firms. Caution is therefore advised in any analysis of the data, since it does not provide the complete investment picture for the economy. Also, the investment projections can change over time to reflect variations in domestic and foreign market conditions, financial circumstances, labour disputes, and other factors which contribute to the high degree of uncertainty in the investment climate. Nevertheless, the data presented here is useful to show the changes that have occurred in planned outlays since the previous survey, plus to identify the factors which have caused these changes. It also provides a breakout of investment intentions at a fairly disaggregated level.

EXECUTIVE SUMMARY

The Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce conducted in April 1981 covers some 300 large corporations and provides a revised reading on business capital spending for 1981. Several highlights from the current report are given below.

- i) The Survey results, after adjustments, suggest that the level of business spending in the total economy in 1981 will increase by 15-18 percent in current dollar terms. This represents a 4-6 percent advance in real terms which compares with an increase of 8.6 percent for 1980 and 12.1 percent increase reported for 1979 on a National Accounts basis.
- ii) Ontario, the Atlantic Region and the Prairies are seen as areas of strength, each showing above average rates of percentage increases for 1981; 43 percent, 42 percent and 40 percent in current dollars, respectively. (Some downward adjustment should be applied to these figures to estimate increased capital spending for the entire business sector in each of these areas).
- iii) Compared to a similar Survey conducted in October 1980 this recent Survey shows a reduction of investment plans for the 1982-1985 period.

HIGHLIGHTS OF THE APRIL 1981 SURVEY

HIGHLIGHTS OF THE APRIL 1981 SURVEY

The Aggregate Picture

The April 1981 Survey* provides an indication of planned investment for 1981 based on conditions at the time of the survey. The survey results suggest that business capital investment in 1981 will continue to be a source of strength in the Canadian economy. However, the investment plans for 1981 will not exceed GNP growth by as much as they did in 1979 and 1980.

In the fall of 1980, the approximately 300 large firms who responded to our Survey expected that their capital spending in 1981 would increase by about 29 percent in current dollars over 1980 levels (unless otherwise stated dollar amounts and percentage changes in this report are in or based on current dollars). These same firms now indicate an increase in 1981 of 35 percent. The difference, however, is due to a downward revision in the 1980 levels, rather than any improvement in the outlook for 1981. Compared with the final returns from the October 1980 survey, the investment levels reported in April 1981 represent downward revisions of 5.7 percent and 0.9 percent for 1980 and 1981 respectively.

The Survey does not cover smaller firms, investments in housing or agriculture, direct government outlays, etc. The results, therefore, cannot be extended directly to the economy as a whole without some adjustment.

* See appendix for details on the nature and coverage of the Survey.

It should be noted that plans or intentions are not the same as actual spending activity. Based on past experience, we find that the firms included in the panel generally overestimate their initial spending plans in terms of realizations.

There are a number of positive factors to be considered with regards to the Canadian business investment climate. There is the major restructuring program underway in the Canadian automotive industry; a modernization program in the forest products sector; plus considerable underlying strength in oil and gas activity including pipelines and the related petrochemicals industry. Canada also has a distinct competitive advantage in energy availability and costs as compared with other major industrial nations; thus making Canadian investment in primary metals, mining and refining more advantageous. The lower Canadian dollar has also helped to keep Canadian labour costs competitive against most major OECD countries.

However, there are indications that following two years of exceptional strength in business capital spending activity, the general business capital investment climate is turning less favourable. During 1979 and 1980 real business spending (excluding housing) on new plant and equipment increased by some 21 percent over the two years (on a National Accounts basis) while real Gross National Product grew by 3 percent. This tends to suggest that excess capacity exists in the Canadian economy and thus business capital formation will advance less rapidly.

Moreover, corporate profits in 1981 are expected to rise much less sharply than was the case in 1979 or 1980. Interest rate costs have increased considerably and have caused the deferment of many marginal projects. Access to the long term bond market for borrowing is much more restricted. It is anticipated that the subsiding of the commodity price boom, rising costs of energy, labour and materials coupled with smaller increases in industry selling

prices in 1981 will affect the ability of some firms to finance through internal cash flows. The external economic environment is also not as favourable this year as several major European economies are experiencing slow growth conditions.

All things considered, it appears that business capital formation this year will be slowing from the exuberant pace established in the two previous years. However, present prospects suggest that there will not be an abrupt winding down of business capital spending activity, but rather a more moderate pace which will still provide a modest stimulus to the Canadian economy this year.

Thus, after adjustment, and taking into account a number of the factors noted above, the results from the April 1981 Survey suggest that actual or realized business spending on new plant and equipment (excluding housing) for the total economy may be up by 4-6 percent in real terms in 1981. This compares with increases of 8.6 percent for 1980 and 12.1 percent for 1979, as presently reported in the National Accounts.

The responding companies indicated that their revised level of spending on new plant and equipment in 1981 would be about \$34 billion, an increase of about \$9 billion over 1980. About 70 percent of this increase was accounted for by four-ninths of the Survey panel concentrated in six main groupings, namely, forest products, chemicals, mining, oil and gas companies, oil and gas pipelines, and electric utilities. (Table 1)

Outlook for Manufacturing

Spending by manufacturing firms in 1981 on new plant and equipment is now expected to be about \$9.0 billion in current dollars or 40 percent above the revised 1980 level of spending. This level of

spending is unchanged from that reported last October. The stronger spending is concentrated in forest products and chemicals industries. Spending by auto manufacturers on re-tooling for smaller cars is again evident in the transportation equipment industry. Food and beverage and other manufacturing continue to demonstrate weak spending on new plant and equipment for 1981. (Table 1 and Table 2)

Outlook for Non-Manufacturing

The spending plans of the non-manufacturing sector in 1981 are expected to reach about \$25 billion, an increase of about 34 percent over the revised 1980 spending level. Notable strength is apparent in oil and gas pipelines as well as in mining and transportation and storage industries. Spending plans of electric utilities for 1981 now show an anticipated increase of 21 percent, however this increase in spending is due mainly to a downward revision of 11 percent in the level of spending indicated now for 1980. Oil and gas companies indicate an increase in investment spending in line with the overall average for 1981 (35 percent). The oil and gas companies were the only group that reduced their intended level of spending for 1981 from that reported earlier. General uncertainty with respect to the outcome of the Federal/Provincial revenue sharing discussions and the NEP were the main reasons reported for this reduction.

Reasons for and Types of Changes in Investment 1981

An upward revision in spending for 1981 was reported by about 41 percent of firms, while 44 percent reported downward revisions and 15 percent indicated no change from the October 1980 Survey.

Better estimates, domestic market demand, government regulations and the expected rate of return were identified as the major factors causing firms to revise their 1981 spending plans downward.

Firms who reported upward revisions indicated that domestic market demand, better estimates, carryovers, government regulation and concerns over production capacity were prominent factors in their budget decisions. For further details, see Tables 18-27.

Cost of Capital Goods

The average cost adjustment factor, or inflation rate used by the large firms in their capital budgets for 1981 was 10.3 percent over the cost level for 1980, up from the 9.4 percent indicated for the same period in October 1980. The expected cost adjustment factors range from 10.1 percent for 1981 for Ontario to a 10.6 percent for Quebec and the Atlantic Region. (Table 6)

On an industry basis, the average cost factors are provided in Table 7. We note that forest product companies, and food and beverage companies are expecting larger cost increases in the 1981-1985 period than the manufacturing sector as a whole. Within the non-manufacturing sector; mining, and oil and gas companies expect larger cost increases than the group as a whole.

Public Compared to Private Capital Spending

Capital spending in the public or government segment of the large firm panel (i.e. crown corporations) is expected to increase by 35 percent in 1981, the same rate as now indicated for the private sector (Table 11). Reductions in private spending on plant and equipment accounts for all the downward revision to the investment plans for 1981, between the October 1980 and April 1981 Surveys. The private sector reduced spending plans by \$480 million while the public segment increased spending plans for 1981 by \$195 million, so that it now represents 31 percent of the total capital spending for 1981 (Table 10). For 1980, the public and private sectors indicated down-

ward revisions in the level of spending reported earlier (8.9 percent and 4.2 percent respectively). In contrast, for 1981, the public sector indicated about a 2 percent between survey upward revision while the private sector recorded a 2 percent downward revision (Table 11).

On a regional basis the government portion of total capital investments in 1981 ranges from 20 percent in the Prairies to 56 percent in Quebec (Table 10). Within the public sector, the Prairies, British Columbia and the Northern Region, and Ontario stand out as areas of strength in 1981 with expected year-over-year advances of 55, 49, and 44 percent respectively (Table 11). For 1980, within this sector, the reported levels of investment were reduced from earlier estimates in all regions. For 1981, the expected spending in Ontario has been reduced from that reported in the October 1980 Survey, while spending levels in the British Columbia and Northern and Prairie Regions have been raised substantially.

For private sector investment in 1981, the Atlantic is the leader with an anticipated year-to-year advance of 56 percent. For 1980, the reported levels of spending were reduced from those reported earlier in all regions. In contrast, the expected level of spending for 1981, in Quebec and Ontario, have been increased.

Foreign versus Domestic Companies

Dividing the entire Survey panel into domestic majority-owned and foreign majority-owned firms, it was found that domestic-owned plan an increase of 38 percent in their capital spending for 1981 compared with an increase of 31 percent for the foreign-owned firms (Table 9). Domestic majority-owned firms represent approximately two-thirds of total capital spending reported by the Survey panel while the foreign-owned firms account for the remainder. (Table 8)

Foreign firms spending on plant and equipment accounts for all the downward revision of \$285 million in the investment plans for 1981, between the October and April Surveys. Revisions to investment intentions by foreign-owned firms in the survey panel for 1981 amounted to a reduction of some \$815 million while the domestic-owned firms expanded their intentions by \$530 million - thus the \$285 million change.

On a regional basis, the proportion of investment associated with domestic majority-owned firms ranges from a high of 84 percent in Quebec for 1981 to 53 percent in the Prairies (Table 8). Domestic firms show upward revisions in spending from the October 1980 Survey for 1981 for the British Columbia and Northern Region, the Prairies and Quebec. Foreign majority-owned firms' spending for 1981 has decreased in all regions but Ontario (Table 9).

Tentative Medium Term Investments

A total of about \$9 billion in capital investments was not included by the large corporations in their spending plans, but nevertheless was thought to hold high potential for introduction over the medium term. On a regional basis, the Prairies (about \$3.8 billion or 42 percent of the total) and Ontario (about \$2.1 billion or 24 percent of the total) would absorb the major proportion of this potential investment. The tentative investment in Quebec is centered in the manufacturing sector, mainly in forest products, primary metals, and chemicals. The manufacturing sector within Quebec and the non-manufacturing sector in the Prairies (mainly oil and gas companies) collectively account for over 60 percent of the tentative investment plans (Table 14).

Factors Affecting Outlays

As noted in earlier surveys, federal government industry specific economic policies are the most often cited factors affecting both current and tentative outlays, however, these were less frequently mentioned than six months ago (Table 15). The cost of funds, expected sales in Canada, as well as other government's policies were more frequently mentioned than in the October Survey as factors affecting the companies' investment plans. Expected cash flow and economic conditions in Canada continue to be a concern.

Over one-quarter of the respondents who indicated Federal and other Canadian government's policies as factors affecting current and considered investment spending, were oil and gas companies. Historically, this sector has always expressed a high degree of concern over these, but it has been more so in the past two Surveys.

Purpose of Investment

Of the 300 corporations in the Survey panel, 265 reported the breakdown of their capital spending by purpose; thus, about 85 percent of the total reported capital spending for 1981 was allocated to the various purpose categories. The largest portion of capital spending continues to be directed to new facilities at new sites, and to the expansion of existing facilities. For further details, see Tables 28, 29 and 30.

Medium Term Investment

A comparison of the results of the current Survey with that of those taken in the October 1980 Survey, shows a reduction of earlier investment plans for the 1982-1985 period in Canada as a whole. This adjustment is attributable entirely to the non-

manufacturing sector, and is centered mainly in the electric utilities and oil and gas industry segments of the Survey panel. In contrast, the manufacturing segment of the panel has recorded between survey increases in their spending intentions, in the same period. This is due mainly to improvements in the primary metal and chemical sectors.

On a regional basis, the British Columbia and Northern Region and the Atlantic Region showed between survey upward revisions for the 1982-1985 period. See Tables 12, 13, 16 and 17 for further details.

Regional Distribution of Business Investment

Spending patterns, reported in the Survey reflect developments in the various regions in broad terms only and therefore, should be interpreted with some caution.

For 1981 as compared to 1980, a larger proportion of capital expenditures on new production facilities is designated for the Prairie Region and Ontario. However, from 1982 on, the proportional share of investment directed to the Prairies is increasing while that of Ontario is declining.

The regional percentage distribution of total business capital investment over the medium term, as reported by the firms surveyed in April 1981 is presented in the following table:

<u>Regions</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Atlantic	5.7	5.8	6.9	6.7	6.8	6.4
Quebec	19.2	17.3	17.0	16.7	17.0	16.9
Ontario	25.7	26.5	24.7	22.7	21.1	20.7
Prairies	27.0	29.8	31.4	33.2	34.1	35.8
BC & Northern	13.0	11.1	12.5	13.8	14.1	12.2
Unallocated*	9.4	9.5	7.5	6.9	6.9	8.0

Regional Perspectives

Atlantic Region (Tables 31-34)

Total spending on plant and equipment in 1981 in the Atlantic region by companies in the Survey panel is expected to be about \$2.1 billion. (As noted earlier, dollar levels and percent changes are based on current dollars). This represents an increase of 42 percent from 1980 (Table 31).

Investment spending in 1981 by the manufacturing sector in the Atlantic region is expected to advance by about 86 percent, to a level of \$483 million. Within this sector the primary metals, transportation equipment and forest products sectors register the largest percentage increases for 1981.

For the non-manufacturing sector in the Atlantic Region, capital spending is expected to reach \$1,596 million, up 33 percent over the 1980 level. The largest year-to-year advances are in the

* Includes investment which was not specifically allocated to a particular region because it was uncertain which region it would take place in and expenditures on moveable machinery and equipment, i.e., rail rolling stock, ships, etc.

mining and oil and gas companies sectors. However, the level of spending for 1981 in these two sectors recorded more than a 20 percent drop from the levels reported in October 1980.

Crown corporations, which account for about 40 percent of total capital spending in the Atlantic region for 1981 (Table 10), have revised their 1981 spending plans upward by almost 5 percent. In contrast, the private sector recorded a 14 percent reduction in investment plans for 1981, since the last Survey. Both sectors recorded downward revisions of 8 percent in their level of spending for 1980 (Table 33).

Foreign majority-owned firms expect to almost double their capital spending (up 91 percent) in the Atlantic provinces in 1981 while domestic-owned firms expect spending to increase by about 25 percent. Domestic-owned firms show almost no revision from the previous Survey in the level of spending expected for 1981. This is due mainly to increased levels of spending by manufacturing firms almost counterbalancing the decreased expectations of the domestic-owned non-manufacturing sector (Table 32).

Quebec (Tables 35-38)

The April 1981 Survey shows that the large corporations investing in new plant and equipment in Quebec, expect to spend \$5.6 billion in 1981, an increase of 20 percent over 1980 levels. This is an improvement from the 10 percent advance expected in October 1980 (Table 35).

Capital spending by the manufacturing sector in Quebec is expected to reach about \$1.2 billion in 1981, an increase of 24 percent over 1980 levels. The forest products and transportation

equipment sectors indicated the strongest year-over-year percentage increases while the food and beverages and chemicals sectors showed a decline.

The 19 percent increase in the spending plans in 1981 for the Quebec non-manufacturing sector is below the national average of a 34 percent increase for this sector. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of crown corporations. All the broad non-manufacturing industry groups show year-to-year increases for 1981 with utilities showing the weakest. The mining companies reported increased levels of spending for both 1980 and 1981. In contrast, the oil and gas companies reported decreased levels for both years.

Crown corporations, which account for about three-fifths of the total capital spending in Quebec (Table 10), are expecting to increase spending in 1981 by 13 percent. Private sector spending in Quebec which is expected to advance by 30 percent in 1981 provides the impetus to the overall spending increases of 20 percent (Table 37).

Companies headquartered in Quebec are more optimistic about prospects for 1982 than they are for 1981. This is particularly true with respect to export sales and profits. Domestic sales and corporate employment are expected to show some improvement in 1982 (Table 38).

In April 1981, companies headquartered in Quebec reported they considered investments of about \$2.1 billion, which were not included in their reported spending plans but were nevertheless thought to hold high potential for introduction over the medium term (Table 14). Canadian federal government policies, expected cash flow, cost of funds, and expected economic conditions were the factors that were most frequently mentioned as affecting the spending plans of

these companies (Table 15). A decrease in the frequency of responses that indicate expected sales abroad and other Canadian governments policies as having had a negative impact on investment plans, is noteworthy. In contrast, exchange rates were identified more often as a factor.

Ontario (Tables 39-42)

Corporations with plant and equipment investments in Ontario reported in the April 1981 Survey, that they expect their level of spending in 1981 to approach \$9.3 billion, an increase of 43 percent or \$2.8 billion over the revised 1980 level (Table 39).

Investment spending in 1981 by the manufacturing sector in Ontario is expected to reach about \$4.3 billion, an increase of \$1.4 million or a 47 percent from the 1980 level. The primary metals, chemicals, and forest products sectors are the main contributors to this advance. Chemical firms in particular expect to more than double their investment spending in Ontario, in 1981. Transportation equipment manufacturing companies recorded an increase in the level of investment for 1981, between October 1980 and April 1981 surveys and now expect a 38 percent advance over 1980 levels.

The 41 percent increase in spending for 1981, by the non-manufacturing sector in Ontario is above the national average of 34 percent for this sector. Mining companies, oil and gas pipelines and oil and gas companies are the principal contributors to the expected increased in spending.

Private sector spending in Ontario for 1981 is expected to advance by 43 percent, more or less in line with a 44 percent increase in the public segment of the business sector (Table 41). Private sector spending on plant and equipment accounts for over 70 percent of

the year-to-year increase for 1981. Revisions in investment intentions for 1981 by the public segment of the Survey panel amounted to a reduction of about \$181 million while the private sector expanded their intentions by about \$119 million - thus a net change of \$62 million (or -0.7 percent).

Foreign-owned firms show about a 50 percent increase in spending in Ontario in 1981 while domestic majority-owned firms indicate a 40 percent advance (Table 40). Strength for 1981, in the domestic sector, is centered in manufacturing notably in primary metals and chemicals. In the foreign-owned segment, the strongest year-to-year advances are still in forest products, chemicals and oil and gas companies.

Companies with headquarters in Ontario are more optimistic about Canadian business conditions for 1982 than was the case for 1981 (Table 42). They are also optimistic about profits and domestic and export sales in 1982.

Capital investments of about \$1.0 billion were not included in the capital spending plans of the Ontario headquartered corporations but were thought to hold high potential for introduction over the next few years. About 60 percent of this considered investment was reported by non-manufacturing firms, in particular, oil and gas companies. The considered investments by manufacturing firms, are centered in chemicals and transportation equipment.

In April 1981, the cost of funds was the factor most often cited by Ontario headquartered companies as having a negative affect on spending plans, whereas while in October 1980 it was their expected cash flow (Table 15). Expected sales in Canada, government policies, the availability of funds and manpower shortages appear to be less of a concern now for Ontario based companies than was the case in October 1980.

Prairie Region (Tables 43-50)

Total capital spending in the Prairies, in 1981 is expected to be about \$10.2 billion, an increase of 40 percent from the revised 1980 levels. However, this level represents a decrease of 5 percent or \$500 million from that expected for 1981 in October 1980 (Table 43). For 1981 spending in Saskatchewan is expected to rise by 73 percent, in Alberta by 34 percent and in Manitoba by 22 percent. Over 70 percent of the investment directed to the Prairies will be allocated to Alberta and as such it dominates the overall Prairie picture.

Manufacturing spending in the Prairies is expected to advance by 86 percent in 1981 (Table 43). This increase is mainly due to the spending intentions of the chemical companies which expect to almost triple their spending in 1981 over 1980 levels. Spending by manufacturing firms in Manitoba and Saskatchewan is expected to advance by about 9 percent in 1981, while manufacturing spending in Alberta is expected to increase by 98 percent. (Tables 44 and 45).

Total non-manufacturing spending in the Prairies of \$9.1 billion for 1981, is an advance of 36 percent over the revised 1980 levels (Table 47). For Alberta, non-manufacturing spending for 1981 was revised downward from October 1980 anticipations (more so than the Canada average) and is now expected to advance by 28 percent. All non-manufacturing sectors, in Alberta, with the exception of communication companies and trade, finance and other commercial companies showed reduced levels of spending for 1981 from October 1980 projections (Table 45). Non-manufacturing spending, in Manitoba and Saskatchewan combined, is expected to advance by 60 percent in 1981. This increase is due to the spending of oil and gas companies in Saskatchewan as well as planned spending by oil and gas pipelines in both Manitoba and Saskatchewan.

Private sector spending in 1981 is advancing by 37 percent in the Prairies, as compared with 55 percent for the public segment of the business sector. Since October 1980 the public or government sector in the Prairies has increased its expected level of spending for 1981 by 8 percent, which is somewhat more than the Canadian average of 2 percent. This contrasts with an 8 percent reduction in 1981 levels for the private sector (Table 47).

Foreign and domestic firms are expecting percentage increases in their capital spending in the Prairies for 1981, of 18 percent and 67 percent respectively (Table 46).

Companies with headquarters in the Prairies are generally more optimistic about prospects for 1982 as compared with 1981, especially with respect to profits and Canadian sales (Table 50).

Capital investments of about \$3.8 billion were not included in the capital spending plans of the Prairie headquartered companies but were thought to hold high potential for introduction over the medium term (Table 14).

In April 1981, as was the case in October 1980, the factors most frequently mentioned as affecting capital spending plans were federal and provincial government policies (Table 15). Concern was expressed, by companies in the oil and gas sector, with respect to export volumes, pricing, royalties, taxes, resource ownership and regulatory burden and delays. In general, cost of funds appear to be more of a concern now while manpower shortages and expected sales (domestic and foreign) appear to be less of a concern than was indicated in the 1980 fall Survey.

British Columbia and Northern Region (Tables 51-54)

Spending intentions for 1981 in the British Columbia and Northern Region (including the Yukon and Northwest Territories) are expected to reach \$4.7 billion. This current level of spending is about 23 percent or \$850 million above the revised 1980 level of \$3.8 billion (Table 51).

Investment in the manufacturing sector in this region is expected to reach about \$1.2 billion in 1981. The forest products sector indicates the largest year-over-year percentage increase for 1981.

Expected spending by non-manufacturing firms in the British Columbia and Northern Region of \$3.4 billion for 1981 is an advance of 26 percent over 1980 levels, which is somewhat below the national average increase of 34 percent for this sector. Spending plans of the mining companies and utilities for 1981 more than offset the reduced spending intentions of the oil and gas companies.

Spending for 1981 by the public segment of the business sector on new plant and equipment is expected to increase by about 49 percent (Table 53). The private sector spending increase for 1981 is expected to be about 15 percent.

Foreign-owned firms investing in the British Columbia and Northern Region are expected to increase spending by 23 percent in 1981, about the same increase as expected by domestic-owned firms (22 percent). Both the foreign and domestic segments in the British Columbia Regions are recording lower increases for 1981 than the national average, which is counter to the 1980 experience (Table 52).

Companies with headquarters in the British Columbia and Northern Region show more optimism for prospects in 1982 than for 1981 especially, with respect to domestic and export sales, Canadian business conditions and profits (Table 54).

The British Columbia and Northern headquartered firms reported \$2.0 billion of capital investments, which were not included in their reported budgets but were considered to hold high potential for implementation over the next few years. About one-third of this amount was reported by manufacturing firms (Table 14).

Canadian government policies and cost of funds were the factors most often mentioned as affecting spending plans by the firms in this region (Table 15).

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Current \$ Millions)

<u>Industry</u>	<u>1980</u> <u>Reported in</u> <u>Oct. 1980</u>	<u>1980</u> <u>Reported in</u> <u>April 1981</u>	<u>1981</u> <u>Reported in</u> <u>Oct. 1980</u>	<u>1981</u> <u>Reported in</u> <u>April 1981</u>
Food & Beverages	404.9	380.8	451.2	438.9
Forest Products	1,559.6	1,567.7	2,429.2	2,359.3
Primary Metals	1,302.3	1,354.5	1,754.8	1,730.9
Chemicals	612.5	614.1	1,160.7	1,298.5
Transportation Equip.	1,156.4	1,182.7	1,547.7	1,637.5
Other Manufacturing	1,342.8	1,301.1	1,595.8	1,488.1
<u>Total Manufacturing</u>	<u>6,378.5</u>	<u>6,400.9</u>	<u>8,939.4</u>	<u>8,953.2</u>
Mining Companies	1,725.1	1,582.8	2,098.1	2,352.6
Oil & Gas Companies	6,172.3	5,668.1	8,551.0	7,669.3
Oil & Gas Pipelines	921.6	879.7	1,652.3	1,705.1
Transp. & Storage	1,413.2	1,376.5	2,031.9	2,098.6
Communications	2,379.5	2,381.5	2,724.3	2,818.9
Electric Utilities	6,731.1	6,024.2	7,236.9	7,311.9
Trade, Finance and Other Commercial	1,156.0	1,042.1	1,375.0	1,414.0
<u>Total Non-Manufacturing</u>	<u>20,498.8</u>	<u>18,954.9</u>	<u>25,669.5</u>	<u>25,370.4</u>
 <u>TOTAL</u>	 <u>26,877.3</u>	 <u>25,355.8</u>	 <u>34,608.9</u>	 <u>34,323.6</u>

* Only those firms which reported for the April 1981 and the October 1980
Surveys for the years 1980 and 1981 are used in this table, namely 289 firms.

TABLE 2

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Current \$ Millions)

<u>Industry</u>	Revisions Between April 1981 & October 1980 Surveys (Percent Change)		1981/80 Year-to-Year (Percent Change)	
	<u>1980</u>	<u>1981</u>	<u>Reported in Oct. 1980</u>	<u>Reported in Apr. 1981</u>
Food & Beverages	-6.0	-2.8	11.4	15.2
Forest Products	0.5	-2.9	55.7	50.4
Primary Metals	4.0	-1.4	34.7	27.7
Chemicals	0.2	11.8	89.5	111.4
Transportation Equip.	2.2	5.8	33.8	38.4
Other Manufacturing	-3.2	-6.8	18.8	14.3
<u>Total Manufacturing</u>	<u>0.3</u>	<u>0.1</u>	<u>40.1</u>	<u>39.8</u>
Mining Companies	-8.3	12.1	21.6	48.6
Oil & Gas Companies	-8.2	-10.4	38.5	35.3
Oil & Gas Pipelines	-4.6	3.1	79.2	93.8
Transp. & Storage	-2.6	3.2	43.7	52.4
Communications	-	3.4	14.4	18.3
Electric Utilities	-10.6	1.0	7.5	21.3
Trade, Finance and Other Commercial	-9.9	2.8	18.9	35.6
<u>Total Non-Manufacturing</u>	<u>-7.6</u>	<u>-1.2</u>	<u>25.2</u>	<u>33.8</u>
<u>TOTAL</u>	<u>-5.7</u>	<u>-0.9</u>	<u>28.7</u>	<u>35.3</u>

* Only those firms which reported for the April 1981 and the October 1980
Surveys for the years 1980 and 1981 are used in this table, namely 289 firms.

TABLE 3

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Constant 1980 \$ Millions)

<u>Industry</u>	<u>1980</u> <u>Reported in</u> <u>Oct. 1980</u>	<u>1980</u> <u>Reported in</u> <u>Apr. 1981</u>	<u>1981</u> <u>Reported in</u> <u>Oct. 1980</u>	<u>1981</u> <u>Reported in</u> <u>Apr. 1981</u>
Food & Beverages	404.9	380.8	411.1	396.1
Forest Products	1,559.6	1,567.7	2,201.7	2,132.3
Primary Metals	1,302.3	1,354.5	1,595.2	1,565.8
Chemicals	612.5	614.1	1,055.9	1,179.8
Transportation Equip.	1,156.4	1,182.7	1,426.9	1,487.0
Other Manufacturing	1,342.8	1,301.1	1,460.7	1,351.7
<u>Total Manufacturing</u>	<u>6,378.5</u>	<u>6,400.9</u>	<u>8,151.5</u>	<u>8,112.7</u>
Mining Companies	1,725.1	1,582.8	1,923.2	2,126.2
Oil & Gas Companies	6,172.3	5,668.1	7,748.4	6,926.6
Oil & Gas Pipelines	921.6	879.7	1,511.4	1,549.7
Transp. & Storage	1,413.2	1,376.5	1,848.6	1,894.8
Communications	2,379.5	2,381.5	2,492.5	2,563.6
Electric Utilities	6,731.1	6,024.2	6,678.1	6,630.9
Trade, Finance and Other Commercial	1,156.0	1,042.1	1,263.6	1,294.5
<u>Total Non-Manufacturing</u>	<u>20,498.8</u>	<u>18,954.9</u>	<u>23,465.8</u>	<u>22,986.3</u>
 <u>TOTAL</u>	 <u>26,877.3</u>	 <u>25,355.8</u>	 <u>31,617.3</u>	 <u>31,099.0</u>

* Only those firms which reported for the April 1981 and the October 1980
Surveys for the years 1980 and 1981 are used in this table, namely 289 firms.

TABLE 4

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1980 AND PLANS FOR 1981 -- CANADA

(Constant 1980 \$ Millions)

<u>Industry</u>	Revisions Between April 1981 & October 1980 Surveys (Percent Change)		1981/80 Year-to-Year (Percent Change)	
	<u>1980</u>	<u>1981</u>	<u>Reported in Oct. 1980</u>	<u>Reported in Apr. 1981</u>
Food & Beverages	-6.0	-3.7	1.5	4.0
Forest Products	0.5	-3.2	41.1	36.0
Primary Metals	4.0	-1.9	22.4	15.5
Chemicals	0.2	11.7	72.3	92.1
Transportation Equip.	2.2	4.2	23.3	25.7
Other Manufacturing	-3.2	-7.5	8.7	3.8
<u>Total Manufacturing</u>	<u>0.3</u>	<u>-0.5</u>	<u>27.7</u>	<u>26.7</u>
Mining Companies	-8.3	10.5	11.4	34.3
Oil & Gas Companies	-8.2	-10.7	25.5	22.2
Oil & Gas Pipelines	-4.6	2.5	63.9	76.1
Transp. & Storage	-2.6	2.4	30.8	37.6
Communications	-	2.8	4.7	7.6
Electric Utilities	-10.6	-0.8	-0.8	10.0
Trade, Finance and Other Commercial	-9.9	2.4	9.3	24.2
<u>Total Non-Manufacturing</u>	<u>-7.6</u>	<u>-2.1</u>	<u>14.4</u>	<u>21.2</u>
 <u>TOTAL</u>	 <u>-5.7</u>	 <u>-1.7</u>	 <u>17.6</u>	 <u>22.6</u>

* Only those firms which reported for the April 1981 and the October 1980 Surveys for the years 1980 and 1981 are used in this table, namely 289 firms.

TABLE 5.A

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Current \$ Millions)

<u>Province</u>	<u>No. of Companies</u>	<u>1980 Reported in Oct. 1980</u>	<u>1980 Reported in Apr. 1981</u>	<u>1981 Reported in Oct. 1980</u>	<u>1981 Reported in Apr. 1981</u>
Newfoundland	37	490.2	490.6	691.4	595.4
Prince Edward Island	8	18.7	14.8	15.1	15.0
Nova Scotia	43	395.1	338.2	694.2	707.7
New Brunswick	37	650.5	587.2	735.2	704.0
Atlantic Provinces	90	1,591.6	1,460.5	2,240.5	2,079.0
Quebec	133	4,951.6	4,643.6	5,467.6	5,581.7
Ontario	183	6,940.3	6,516.7	9,401.2	9,339.0
Manitoba	64	418.6	429.9	546.5	523.3
Saskatchewan	66	929.4	926.5	1,424.2	1,604.1
Alberta	127	6,156.7	5,714.2	8,313.6	7,627.9
Prairie Region	158	7,780.3	7,266.7	10,700.3	10,195.2
British Columbia	123	3,573.3	3,340.5	3,756.2	3,935.4
Yukon	8	62.5	61.0	111.6	86.4
Northwest Territories	16	401.1	386.2	605.7	617.8
B.C. and Northern	130	4,044.3	3,802.3	4,482.7	4,668.5
<u>CANADA</u>	<u>289</u>	<u>26,877.3</u>	<u>25,355.8</u>	<u>34,608.9</u>	<u>34,323.6</u>

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals will not necessarily add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 5.B

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1981/1980</u>	<u>1980</u>	<u>1981</u>
Atlantic	42.3	-8.3	-7.3
Quebec	20.2	-6.3	2.0
Ontario	43.3	-6.2	0.7
Prairies	40.3	-6.7	-4.8
B.C. & Northern	22.7	-6.0	4.1
	—	—	—
<u>CANADA</u>	<u>35.3</u>	<u>-5.7</u>	<u>0.9</u>

Note: Actual 1980 and revised intentions 1981.

TABLE 6

YEAR-TO-YEAR PERCENTAGE CHANGES ESTIMATED IN
THE COST OF CAPITAL GOODS REPORTED APRIL 1980 FOR:

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Atlantic	10.6	10.4	9.7	9.2	8.0
Quebec	10.6	10.5	10.3	8.4	7.8
Ontario	10.1	9.4	9.0	8.9	7.9
Prairies	10.3	10.0	9.4	9.0	8.7
B.C. & Northern	10.4	9.4	9.3	8.3	8.8
	—	—	—	—	—
<u>CANADA</u>	<u>10.3</u>	<u>10.0</u>	<u>9.4</u>	<u>8.8</u>	<u>8.6</u>

TABLE 7

COST ADJUSTMENT FACTORS 1980-1985

<u>Industry</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Food & Beverage	100.0	110.8	121.9	133.8	149.1	162.8
Forest Products	100.0	110.6	121.9	135.4	149.1	164.6
Primary Metals	100.0	110.5	121.6	133.4	146.0	160.4
Chemicals	100.0	110.0	121.4	133.7	147.1	160.7
Transportation Equipment	100.0	110.1	121.4	135.4	146.7	160.2
Other Manufacturing	100.0	110.0	120.5	131.5	144.5	158.2
<u>TOTAL MANUFACTURING</u>	<u>100.0</u>	<u>110.3</u>	<u>121.5</u>	<u>134.0</u>	<u>147.2</u>	<u>161.2</u>
Mining	100.0	110.6	121.4	132.8	146.0	159.8
Oil & Gas Companies	100.0	110.7	122.2	133.8	145.8	158.0
Oil & Gas Pipelines	100.0	110.0	120.4	131.8	142.8	154.6
Transportation & Storage	100.0	110.7	121.7	132.3	143.0	155.8
Communications	100.0	109.9	119.7	129.3	139.9	151.3
Electric Utilities	100.0	110.2	121.1	132.7	143.6	155.6
Trade, Finance & Other Commercial	100.0	109.1	118.3	128.1	141.3	150.1
<u>TOTAL NON-MANUFACTURING</u>	<u>100.0</u>	<u>110.3</u>	<u>121.2</u>	<u>132.5</u>	<u>144.0</u>	<u>156.2</u>
<u>TOTAL BUSINESS</u>	<u>100.0</u>	<u>110.3</u>	<u>121.3</u>	<u>132.7</u>	<u>144.4</u>	<u>156.8</u>

TABLE 8

DISTRIBUTION OF CAPITAL INVESTMENT BY
DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	<u>Domestic</u>		<u>Foreign</u>	
	<u>1980</u>	<u>1981</u>	<u>1980</u>	<u>1981</u>
	%		%	
Atlantic	74	65	26	35
Quebec	86	84	14	16
Ontario	68	66	32	34
Prairies	45	53	55	47
B.C. & Northern	57	57	43	43
	—	—	—	—
<u>CANADA</u>	<u>62</u>	<u>64</u>	<u>38</u>	<u>36</u>

TABLE 9

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u>	<u>1980</u>	<u>1981</u>
<u>Domestic Majority Owned</u>	(%)	(%)	(%)
Atlantic	25.0	-10.4	-0.1
Quebec	17.3	-5.5	4.1
Ontario	40.2	-7.3	-3.5
Prairies	67.3	-6.9	4.9
B.C. & Northern	22.3	-0.8	7.8
	—	—	—
<u>CANADA</u>	<u>37.9</u>	<u>-5.9</u>	<u>2.4</u>
<u>Foreign Majority Owned</u>			
Atlantic	91.4	-1.7	-18.1
Quebec	38.3	-10.8	-7.8
Ontario	49.8	-3.6	5.2
Prairies	18.4	-6.4	-13.8
B.C. & Northern	23.3	-12.1	-0.4
	—	—	—
<u>CANADA</u>	<u>31.0</u>	<u>-5.4</u>	<u>-6.2</u>

Note: Actual 1980 and revised intentions 1981.

See Table 9A for the dollar levels for 1980 and 1981.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1980-1981

(Current \$ Millions)

DOMESTIC OWNED COMPANIES/FOREIGN OWNED COMPANIES

ALL INDUSTRIES

<u>DOMESTIC</u>	<u>1980</u>	<u>1981</u>
Atlantic	1,080	1,351
Quebec	4,006	4,700
Ontario	4,425	6,205
Prairies	3,249	5,436
B.C. & Northern	2,160	2,642
<u>CANADA</u>	<u>15,820</u>	<u>21,830</u>
<u>FOREIGN</u>		
Atlantic	380	728
Quebec	638	882
Ontario	2,092	3,134
Prairies	4,018	4,759
B.C. & Northern	1,642	2,026
<u>CANADA</u>	<u>9,536</u>	<u>12,494</u>

Note: (1) Actual 1980 and revised intentions 1981.

- (2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 10

DISTRIBUTION OF CAPITAL INVESTMENT BY
PUBLIC AND PRIVATE FIRMS WITHIN REGIONS

	Public		Private	
	1980	1981	1980	1981
	(%)		(%)	
Atlantic	48	43	52	57
Quebec	59	56	41	44
Ontario	27	27	73	73
Prairies	18	20	82	80
B.C. & Northern	24	29	76	71
	—	—	—	—
<u>CANADA</u>	<u>31</u>	<u>31</u>	<u>69</u>	<u>69</u>

TABLE 11

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change	Between Survey Revisions	
	1981/1980	1980	1981
	(%)	(%)	(%)
<u>Public Majority Owned</u>			
Atlantic	27.5	-8.3	4.6
Quebec	13.4	-9.1	1.2
Ontario	44.1	-15.1	-6.7
Prairies	54.7	-4.7	8.0
B.C. & Northern	48.7	-5.8	16.4
	—	—	—
<u>CANADA</u>	<u>35.2</u>	<u>-8.9</u>	<u>1.8</u>
<u>Private Majority Owned</u>			
Atlantic	55.7	-8.3	-14.5
Quebec	30.0	-1.9	3.1
Ontario	42.9	-2.4	1.7
Prairies	37.0	-7.1	-7.5
B.C. & Northern	14.7	-6.1	-0.1
	—	—	—
<u>CANADA</u>	<u>35.4</u>	<u>-4.2</u>	<u>-2.0</u>

Note: Actual 1980 and revised intentions 1981.

See Table 11A for the dollar levels for 1980 and 1981.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1980-1981

(Current \$ Millions)

PUBLIC COMPANIES/PRIVATE COMPANIES

ALL INDUSTRIES

<u>PUBLIC</u>	<u>1980</u>	<u>1981</u>
Atlantic	695	886
Quebec	2,744	3,113
Ontario	1,749	2,521
Prairies	1,325	2,050
B.C. & Northern	896	1,334
	<hr/>	<hr/>
<u>CANADA</u>	<u>7,795</u>	<u>10,540</u>
<u>PRIVATE</u>		
Atlantic	766	1,193
Quebec	1,899	2,469
Ontario	4,768	6,818
Prairies	5,942	8,145
B.C. & Northern	2,906	3,335
	<hr/>	<hr/>
<u>CANADA</u>	<u>17,561</u>	<u>23,783</u>

Note: (1) Actual 1980 and revised intentions 1981.

(2) The above Table incorporates matched data for each region. This system of matching is applied separately for each region. Hence,; regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 12

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES 1980-1985

(Current \$ Millions)

<u>SURVEY/REGION</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>TOTAL</u>
<u>April 1981*</u>							
Atlantic (64)	1,219	1,635	2,205	2,145	2,194	2,058	11,456
Quebec (98)	4,083	4,894	5,395	5,358	5,442	5,404	30,576
Ontario (132)	5,446	7,483	7,861	7,296	6,771	6,628	41,485
Prairies (115)	5,734	8,410	9,985	10,667	10,933	11,456	57,185
B.C. & Northern (93)	2,761	3,122	3,974	4,429	4,536	3,915	22,737
<u>CANADA (257)</u>	<u>21,227</u>	<u>28,218</u>	<u>31,808</u>	<u>32,121</u>	<u>32,080</u>	<u>31,981</u>	<u>177,435</u>
<u>October 1980**</u>							
Atlantic (64)	1,249	1,765	2,100	2,139	2,269	2,087	11,609
Quebec (98)	4,474	4,968	5,206	5,587	6,169	5,225	31,629
Ontario (132)	5,795	7,665	7,977	7,772	6,738	6,734	42,681
Prairies (115)	6,172	8,626	9,768	11,246	11,224	12,090	59,026
B.C. & Northern (93)	2,916	3,110	3,706	3,961	4,600	3,924	22,217
<u>CANADA (227)</u>	<u>22,537</u>	<u>28,970</u>	<u>31,100</u>	<u>33,291</u>	<u>33,741</u>	<u>32,908</u>	<u>182,547</u>

Note: * Actual 1980 and revised intentions 1981-85.

** Preliminary actual 1980 and intentions 1981-85.

Only those firms which reported for the October 1980 and April 1981 Surveys for the years 1980-85 (each and every year) are used in this table, i.e. a matched panel. The number of reporting companies is provided in brackets after the name of each region. See Appendix, point (1) for the explanation of matching.

TABLE 13

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

Between Survey Revisions

	<u>1980-1981</u>	<u>1982-1985</u>	<u>1980-1985</u>
Atlantic	-5.3	0.1	-1.3
Quebec	-4.9	-2.7	-3.3
Ontario	-3.9	-2.3	-2.8
Prairies	-4.4	-2.7	-3.1
B.C. & Northern	-2.4	4.1	2.3
	—	—	—
<u>CANADA</u>	<u>-4.0</u>	<u>-2.3</u>	<u>-2.8</u>

TABLE 14

CONSIDERED INVESTMENT

Percent Distribution

<u>Companies with H.Q. in:</u>	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Atlantic (2 of 15)	0.2	*	0.3
Quebec (12 of 47)	19.7	4.0	23.7
Ontario (17 of 139)	4.6	6.5	11.1
Prairies (13 of 57)	0.3	42.2	42.5
B.C. & Northern (7 of 31)	6.9	15.4	22.3
	—	—	—
<u>All Companies</u> (51 of 289)	<u>31.8</u>	<u>68.2</u>	<u>100.0</u>
			<u>(\$8,875)</u>

Note: The number of reporting companies is provided in brackets.

* Less than .05 percent.

TABLE 15

FACTORS REPORTED AS AFFECTING CURRENT AND CONSIDERED INVESTMENT SPENDING

(Frequency of Response)

FACTOR/REGION OF H.Q.	ATLANTIC		QUEBEC		ONTARIO		PRAIRIES		B.C. & NORTHERN		TOTAL	
	P81	S81	P81	S81	P81	S81	P81	S81	P81	S81	P81	S81
Cdn. Fed. Gov't Policies	2	3	16	18	50	34	21	27	11	5	94	87
Other Cdn. Gov't Policies	2	2	11	7	30	18	18	19	6	4	62	50
Foreign Gov't Policies	1	1	2	1	17	8	6	4	3	2	26	16
Exchange Rates	1	1	5	10	31	21	3	2	6	3	41	37
Non-Tariff Barriers Canada	-	-	2	1	5	2	-	-	-	-	6	3
Cdn. Tariffs Too High	1	1	1	2	1	-	1	-	2	-	5	3
Cdn. Tariffs Too Low	-	-	2	1	2	1	1	-	-	1	4	3
Barriers Abroad	-	-	1	2	3	3	2	1	-	-	5	6
Other Trading Factors	-	-	-	-	2	1	2	-	1	-	4	1
Expected Cash Flow	1	3	14	11	52	41	11	10	5	3	76	68
Rates of Return	1	2	10	9	42	32	8	6	4	1	60	50
Other Internal Fin. Cond.	3	3	1	2	9	6	1	-	1	1	13	12
Cost of Funds	2	3	10	11	46	42	9	12	2	5	62	73
Availability of Funds	-	-	4	6	15	7	-	1	2	3	18	17
Other External Fin. Cond.	-	-	1	-	6	3	-	-	1	-	7	3
Other Fin. & Mon. Factors	-	-	2	2	1	3	1	-	-	-	3	5
Raw Material Shortages	-	-	3	4	3	5	1	1	4	1	10	11
Mach. & Equip. Shortages	-	-	2	1	5	2	1	-	-	1	7	4
Manpower Shortages	1	1	1	1	16	10	11	8	6	3	32	23
Labour Problems	-	-	2	1	11	7	2	2	4	3	17	13
Expected Sales in Canada	3	2	8	7	41	26	13	7	4	2	63	44
Expected Sales Abroad	1	-	13	10	23	19	11	6	9	2	53	37
Exp. Econ. Cond.in Canada	1	-	10	11	47	37	6	8	4	3	61	59
Exp. Econ. Cond Abroad	1	-	8	8	16	15	2	-	6	2	30	25
Other Factors	-	-	1	1	5	3	1	2	-	2	6	8
Sample Size	15	15	47	47	144	139	57	57	31	31	295	289

P81 = Oct. 1980 Survey

S81 = April 1981 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1980-85
AS REPORTED IN CURRENT DOLLARS FOR THE APRIL 1981 SURVEY

(1980 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Food & Beverage	311.4	100.0	109.1	111.1	114.4	106.8	103.9
Forest Products	1,409.2	100.0	149.0	145.3	120.2	114.0	85.9
Primary Metals	953.2	100.0	139.5	149.7	131.0	128.3	108.8
Chemicals	590.8	100.0	217.6	262.2	308.3	272.7	180.2
Transportation Equip.	659.7	100.0	86.8	80.4	99.8	74.5	59.5
Other Manufacturing	848.8	100.0	107.3	122.6	124.2	122.0	137.7
<u>Total Manufacturing</u>	<u>4,773.1</u>	<u>100.0</u>	<u>137.0</u>	<u>145.4</u>	<u>143.1</u>	<u>132.0</u>	<u>108.9</u>
Mining Companies	1,174.4	100.0	137.1	173.0	147.5	118.7	129.2
Oil & Gas Companies	5,417.4	100.0	136.1	175.0	192.4	212.7	225.8
Oil & Gas Pipelines	770.4	100.0	199.2	166.7	126.0	100.0	108.9
Transp. & Storage	1,059.9	100.0	155.3	144.4	138.1	152.7	186.0
Communications	2,276.6	100.0	118.3	127.7	122.9	126.1	131.5
Electric Utilities	5,017.6	100.0	115.3	128.4	133.1	131.0	127.1
Trade, Finance and Other Commercial	738.0	100.0	140.9	160.9	165.5	139.8	116.0
<u>Total Non-Manufacturing</u>	<u>16,454.3</u>	<u>100.0</u>	<u>131.8</u>	<u>151.1</u>	<u>153.7</u>	<u>156.7</u>	<u>162.8</u>
<u>TOTAL</u>	<u>21,227.4</u>	<u>100.0</u>	<u>132.9</u>	<u>149.8</u>	<u>151.3</u>	<u>151.1</u>	<u>150.7</u>

* Only those firms which reported for the October 1980 and the April 1981 Surveys for the years 1980-85 (each and every year) are used in this table, namely 227 firms.

TABLE 17

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1980-85
AS REPORTED IN CURRENT DOLLARS FOR THE OCTOBER 1980 SURVEY

(1980 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Food & Beverage	335.2	100.0	107.8	98.7	104.9	104.6	103.7
Forest Products	1,390.3	100.0	156.7	136.1	102.5	113.8	88.6
Primary Metals	954.3	100.0	142.1	133.2	105.0	77.5	98.7
Chemicals	587.0	100.0	195.4	226.0	288.9	246.6	176.1
Transportation Equip.	534.2	100.0	108.2	124.2	198.9	64.5	69.2
Other Manufacturing	887.4	100.0	112.2	113.1	114.6	120.4	136.2
<u>Total Manufacturing</u>	<u>4,688.4</u>	<u>100.0</u>	<u>141.1</u>	<u>138.4</u>	<u>139.8</u>	<u>118.0</u>	<u>109.5</u>
Mining Companies	1,312.9	100.0	120.5	129.5	103.6	103.2	91.9
Oil & Gas Companies	5,897.1	100.0	138.7	179.2	204.6	218.9	229.6
Oil & Gas Pipelines	818.5	100.0	182.2	90.2	77.8	83.1	102.0
Transp. & Storage	1,077.6	100.0	153.9	144.2	157.7	176.5	188.0
Communications	2,275.6	100.0	114.7	124.1	116.3	120.3	125.6
Electric Utilities	5,620.1	100.0	103.7	110.5	129.0	136.9	114.3
Trade, Finance and Other Commercial	846.7	100.0	118.2	120.1	126.9	110.2	104.9
<u>Total Non-Manufacturing</u>	<u>17,848.2</u>	<u>100.0</u>	<u>125.2</u>	<u>137.9</u>	<u>149.8</u>	<u>158.0</u>	<u>155.6</u>
<u>TOTAL</u>	<u>22,536.6</u>	<u>100.0</u>	<u>128.5</u>	<u>138.0</u>	<u>147.7</u>	<u>149.7</u>	<u>146.0</u>

* Only those firms which reported for the October 1980 and the April 1981 Surveys for the years 1980-85 (each and every year) are used in this table, namely 227 firms.

TABLE 18

TYPES OF CHANGES IN PLANS

(Percent Distribution of Response)

<u>Type of Change</u>	<u>1980</u>	<u>1981</u>	<u>1982-85</u>
Abandoned Plans	3.7	4.0	2.9
Deferred Plans	15.1	18.4	10.6
Reduced Existing Plans	17.3	13.9	9.5
Expanded Existing Plans	7.4	12.6	17.2
Introduced New Plans	5.7	13.4	17.8
Brought Forward Plans from Future Years	2.0	3.0	3.4
Re-introduced Deferred Plans	0.3	2.8	5.2
No Change in Plans	47.2	30.1	33.0
Not Specified	1.4	1.8	0.6
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Number of Responses	352	396	349
Number of Companies	268	267	240

Note: Totals may not add due to rounding.

TABLE 19
REASONS FOR CHANGES IN PLANS

1980

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	3.3	6.8	0.2	10.3
Market Demand - Foreign	0.7	3.5	0.2	4.4
Capacity	0.7	2.4	0.2	3.3
Rate of Return	1.1	3.5	-	4.6
Financing - External	1.1	0.9	-	2.0
Financing - Internal	1.5	2.9	-	4.4
Costs - Labour	0.9	0.7	0.2	1.8
Costs - Other	0.7	0.4	-	1.1
Strikes	-	1.3	0.2	1.5
Government Regulations	0.2	4.0	-	4.2
Better Estimates	10.8	17.0	0.2	28.0
Carry-overs	3.5	10.4	-	13.9
Other Reasons	2.6	5.1	0.2	7.9
Not Specified	3.1	1.8	7.7	12.6
TOTAL	<u>30.2</u>	<u>60.6</u>	<u>9.3</u>	<u>100.0</u>
Number of Responses	137	275	42	454
Number of Companies	89	140	39	268

Note: Totals may not add due to rounding.

TABLE 20

REASONS FOR CHANGES IN PLANS

1981

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	9.1	6.0	-	15.1
Market Demand - Foreign	2.7	3.1	-	5.8
Capacity	3.3	2.2	0.4	5.9
Rate of Return	1.8	4.9	-	6.7
Financing - External	0.9	1.5	-	2.4
Financing - Internal	1.6	4.0	-	5.6
Costs - Labour	0.9	0.2	-	1.1
Costs - Other	0.7	0.9	-	1.6
Strikes	0.2	-	-	0.2
Government Regulations	3.3	5.6	-	8.9
Better Estimates	8.2	9.1	0.2	17.5
Carry-overs	6.0	5.1	-	11.1
Other Reasons	3.8	4.2	0.2	8.2
Not Specified	1.8	1.3	6.7	9.8
TOTAL	<u>44.4</u>	<u>48.1</u>	<u>7.5</u>	<u>100.0</u>
Number of Responses	244	264	41	549
Number of Companies	110	117	40	267

Note: Totals may not add due to rounding.

TABLE 21

REASONS FOR CHANGES IN PLANS

1982 - 1985

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	12.7	3.8	0.2	16.7
Market Demand - Foreign	3.3	1.9	0.2	5.4
Capacity	5.8	1.9	-	7.7
Rate of Return	4.4	2.7	0.6	7.7
Financing - External	1.5	0.8	-	2.3
Financing - Internal	2.3	1.5	0.2	4.0
Costs - Labour	0.4	0.2	0.2	0.8
Costs - Other	0.4	0.8	-	1.2
Strikes	-	-	-	-
Government Regulations	3.5	5.0	0.2	8.7
Better Estimates	11.5	4.4	0.4	16.3
Carry-overs	6.9	0.8	-	7.7
Other Reasons	3.8	2.1	0.4	6.3
Not Specified	3.5	0.8	10.8	15.1
<u>TOTAL</u>	<u>60.0</u>	<u>26.7</u>	<u>13.3</u>	<u>100.0</u>

Number of Responses	288	128	64	480
Number of Companies	127	55	58	240

Note: Totals may not add due to rounding.

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1980

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	1.1	4.4	3.3	0.7	1.1	0.4	-	0.4	-	11.3
Market Demand-Foreign	0.7	4.0	1.1	-	-	-	-	-	-	5.8
Capacity	0.4	1.1	1.1	0.7	-	0.4	-	0.4	-	4.0
Rate of Return	0.7	1.8	2.2	0.4	0.4	0.4	-	-	-	5.8
Financing - External	-	0.7	0.7	-	-	-	-	-	-	1.5
Financing - Internal	0.4	1.5	1.5	0.4	0.4	-	-	0.7	-	4.7
Costs - Labour	-	0.4	0.7	-	-	-	-	-	-	1.1
Costs - Other	-	-	-	-	-	-	-	0.7	-	0.7
Strikes	-	1.1	1.1	-	-	-	-	-	-	2.2
Government Regulations	1.1	3.3	2.2	-	-	-	-	-	-	6.5
Better Estimates	-	3.3	6.2	0.4	0.4	-	-	17.8	-	28.0
Carry-overs	-	2.9	9.5	0.7	-	-	-	3.6	0.4	17.1
Other Reasons	1.1	2.2	0.7	0.4	1.1	-	-	2.5	0.4	8.4
Not Specified	0.4	1.1	-	-	-	-	-	1.5	-	2.9
TOTAL	5.8	27.6	30.2	3.6	3.3	1.1	-	27.6	0.7	100.0

Number of Responses 275

Number of Companies 140

Note: Totals may not add due to rounding.

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1980

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	0.7	-	4.4	4.4	0.7	-	0.7	-	10.9
Market Demand-Foreign	-	0.7	-	-	1.5	-	-	-	-	2.2
Capacity	-	-	-	1.5	0.7	-	-	-	-	2.2
Rate of Return	0.7	-	-	-	1.5	0.7	0.7	-	-	3.6
Financing - External	-	-	-	0.7	-	0.7	-	1.5	0.7	3.6
Financing - Internal	-	-	-	1.5	0.7	1.5	-	0.7	0.7	5.1
Costs - Labour	-	-	-	0.7	-	-	-	2.2	-	2.9
Costs - Other	-	-	-	-	-	-	-	2.2	-	2.2
Strikes	-	-	-	-	-	-	-	-	-	-
Government Regulations	-	-	0.7	-	-	-	-	-	-	0.7
Better Estimates	-	-	0.7	2.9	1.5	-	0.7	29.9	-	35.8
Carry-overs	-	-	0.7	4.4	0.7	-	-	5.1	0.7	11.7
Other Reasons	0.7	-	0.7	1.5	2.2	-	-	3.6	-	8.8
Not Specified	0.7	-	-	0.7	-	-	-	8.8	-	10.2
TOTAL	2.2	1.5	2.9	18.2	13.1	3.6	1.5	54.7	2.2	100.0

Number of Responses 137

Number of Companies 89

Note: Totals may not add due to rounding.

TABLE 24

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981

(Percent Distribution of Response)

TYPES OF CHANGES											
Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced		No Change	Not Specified	Total
							Deferred Plans				
Market Demand-Domestic	0.8	4.2	5.3	1.1	1.1	-	-	-	-	-	12.5
Market Demand-Foreign	-	4.2	2.3	-	-	-	-	-	-	-	6.4
Capacity	0.4	1.9	-	0.4	1.5	-	0.4	-	-	-	4.5
Rate of Return	2.3	2.3	2.7	-	2.7	0.4	-	-	-	-	10.2
Financing - External	-	1.9	1.1	-	-	-	-	-	-	-	3.0
Financing - Internal	0.4	4.2	3.4	-	-	-	-	-	0.4	-	8.3
Costs - Labour	-	-	.4	-	-	-	-	-	-	-	0.4
Costs - Other	-	1.5	-	0.4	-	-	-	-	-	-	1.9
Strikes	-	-	-	-	-	-	-	-	-	-	-
Government Regulations	2.7	4.5	4.2	0.4	-	-	-	-	-	-	11.7
Better Estimates	-	3.0	2.3	0.8	1.5	-	-	-	11.4	-	18.9
Carry-overs	-	1.9	4.9	0.8	0.4	-	-	-	2.7	-	10.6
Other Reasons	1.1	3.4	1.1	0.4	1.1	-	-	-	1.5	-	8.7
Not Specified	-	1.1	0.4	-	-	-	-	-	1.1	-	2.7
TOTAL	7.6	34.1	28.0	4.2	8.3	0.4	0.4	0.4	17.0	-	100.0

Number of Responses 264

Number of Companies 117

Note: Totals may not add due to rounding.

TABLE 25

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	0.8	0.8	0.8	5.3	8.2	2.0	1.2	0.8	0.4	20.5
Market Demand-Foreign	-	1.2	0.4	0.8	2.9	-	0.4	-	0.4	6.1
Capacity	-	-	-	2.5	2.5	1.2	0.4	0.4	0.4	7.4
Rate of Return	-	0.8	0.4	-	1.2	0.8	0.4	-	-	4.1
Financing - External	-	0.4	-	0.8	-	0.4	-	-	0.4	2.0
Financing - Internal	-	0.4	0.4	0.8	0.8	0.8	-	-	0.4	3.7
Costs - Labour	-	-	-	0.8	0.4	-	-	0.4	0.4	2.0
Costs - Other	0.4	-	-	-	0.4	-	-	0.4	0.4	1.6
Strikes	-	0.4	-	-	-	-	-	-	-	0.4
Government Regulations	0.4	0.8	1.2	1.2	2.0	0.8	0.4	0.4	-	7.4
Better Estimates	-	0.4	0.8	2.5	2.5	-	-	11.9	0.4	18.4
Carry-overs	-	0.4	0.4	6.1	0.4	-	2.0	3.3	0.8	13.5
Other Reasons	-	1.2	-	1.6	3.7	-	-	2.0	-	8.6
Not Specified	-	-	-	1.2	-	-	0.4	2.5	-	4.1
TOTAL	2.0	7.0	4.5	23.8	25.0	6.1	5.3	22.1	4.1	100.0

Number of Responses 244

Number of Companies 110

Note: Totals may not add due to rounding.

TABLE 26

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1982 - 1985

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	0.8	4.7	3.1	-	3.1	0.8	0.8	0.8	-	14.1
Market Demand-Foreign	0.8	3.1	1.6	-	0.8	-	-	0.8	-	7.0
Capacity	-	3.1	-	-	2.3	-	0.8	0.8	-	7.0
Rate of Return	2.3	3.1	3.1	-	0.8	-	-	0.8	-	10.2
Financing - External	0.8	0.8	0.8	-	0.8	-	-	-	-	3.1
Financing - Internal	0.8	1.6	2.3	-	0.8	-	-	-	-	5.5
Costs - Labour	-	-	-	-	0.8	-	-	-	-	0.8
Costs - Other	0.8	1.6	0.8	-	-	-	-	-	-	3.1
Strikes	-	-	-	-	-	-	-	-	-	-
Government Regulations	3.1	4.7	8.6	0.8	-	0.8	0.8	-	-	18.8
Better Estimates	-	2.3	2.3	0.8	-	-	-	10.9	-	16.4
Carry-overs	-	0.8	1.6	-	-	-	0.8	-	-	3.1
Other Reasons	0.8	2.3	1.6	-	1.6	-	-	1.6	-	7.8
Not Specified	-	-	-	-	-	-	-	3.1	-	3.1
TOTAL	10.2	28.1	25.8	1.6	10.9	1.6	3.1	18.8	-	100.0

Number of Responses 128

Number of Companies 55

Note: Totals may not add due to rounding.

TABLE 27

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1982 - 1985

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	0.7	1.4	1.4	6.3	8.3	1.7	0.7	0.7	-	21.2
Market Demand-Foreign	-	0.3	0.7	1.7	2.1	0.3	0.3	-	-	5.6
Capacity	0.3	0.3	-	2.4	4.5	1.0	0.7	0.3	-	9.7
Rate of Return	-	0.3	1.0	0.3	3.8	0.3	0.7	0.3	0.3	7.3
Financing - External	-	0.3	-	0.7	0.7	-	0.3	0.3	-	2.4
Financing - Internal	-	-	0.3	0.7	0.7	-	1.4	0.7	-	3.8
Costs - Labour	-	-	-	-	-	-	-	0.7	-	0.7
Costs - Other	-	-	-	-	-	-	-	0.6	-	0.7
Strikes	-	-	-	-	-	-	-	-	-	-
Government Regulations	-	0.3	1.0	1.4	1.7	0.3	0.7	0.3	-	5.9
Better Estimates	-	0.3	1.0	4.5	3.1	0.7	0.3	8.7	0.3	19.1
Carry-overs	-	-	0.7	5.6	1.0	-	2.1	2.1	-	11.5
Other Reasons	0.3	0.7	-	1.7	2.4	-	0.3	0.7	-	6.3
Not Specified	-	0.7	-	1.0	0.3	0.3	0.7	2.8	-	5.9
TOTAL	1.4	4.9	6.3	26.4	28.8	4.9	8.3	18.4	0.7	100.0

Number of Responses 288

Number of Companies 127

Note: Totals may not add due to rounding.

TABLE 28

TOTAL CAPITAL EXPENDITURES BY PURPOSE

	<u>Number of Reporting Companies</u>	<u>1980</u>	<u>1981</u>
		(\$ Millions)	
Research and Development	83	167.6	252.5
Pollution Abatement	117	582.9	767.1
Working Environment	94	130.7	186.9
Expansion of Facilities - Existing Sites	196	6,406.1	9,323.0
Upgrading & Replacement of Existing Facilities	220	3,831.0	5,326.0
Expansion of Facilities - New Sites	119	7,706.4	9,361.4
Other	82	3,175.6	4,031.9
<u>TOTAL</u>	<u>265*</u>	<u>22,000.3</u>	<u>29,248.8</u>

Note: Actual 1980 and revised intentions 1981.

* As one company may allocate its investment expenditures to various purpose categories, this number is not the sum of the column.

TABLE 29

TOTAL CAPITAL EXPENDITURES BY PURPOSE

(Percent Distribution* of Total)

	<u>Manufacturing</u>		Non- <u>Manufacturing</u>		<u>Total</u>	
	<u>1980</u>	<u>1981</u>	<u>1980</u>	<u>1981</u>	<u>1980</u>	<u>1981</u>
Research and Development	.9	1.2	.7	.8	.8	.9
Pollution Abatement	3.8	4.4	2.3	2.0	2.6	2.6
Working Environment	1.4	1.3	.3	.4	.6	.6
Expansion of Facilities - Existing Sites	34.5	36.5	27.4	30.3	29.1	31.9
Upgrading & Replacement of Existing Facilities	32.2	32.6	12.8	13.2	17.4	18.2
Expansion of Facilities - New Sites	16.9	12.4	40.7	38.9	35.0	32.0
Other	10.3	11.6	15.7	14.6	14.4	13.8
<u>TOTAL</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

* Percentages may not add to 100% due to rounding.

TABLE 30

CAPITAL EXPENDITURES BY PURPOSE

1981/1980

(Year-to-Year Percent Change in Level of Spending)

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Total</u>
Research and Development	79.1	38.6	50.6
Pollution Abatement	68.5	12.2	31.6
Working Environment	38.1	49.2	42.9
Expansion of Facilities - Existing Sites	53.0	42.5	45.5
Upgrading & Replacement of Existing Facilities	46.6	33.0	39.0
Expansion of Facilities - New Sites	6.3	23.4	21.4
Other	62.9	19.6	26.9
	<hr/>	<hr/>	<hr/>
<u>TOTAL*</u>	<u>44.7</u>	<u>29.2</u>	<u>32.9</u>

* The year-to-year changes in total investment here are different from those reported in Table 2. This is due to differences in coverage.

TABLE 31

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

ATLANTIC REGION

(Current \$ Millions)

	1980	1981	Year-to-Year Percentage Change 1981/1980	Between Survey Revisions (%)	
				1980	1981
Manufacturing	259 (6,401)	483 (8,953)	86.2 (39.8)	3.8 (0.3)	4.6 (0.1)
Non-Manufacturing	1,201 (18,955)	1,596 (25,370)	32.8 (33.8)	-10.5 (-7.6)	-10.3 (-1.2)
<u>TOTAL</u>	1,460 (25,356)	2,079 (34,323)	42.3 (35.3)	-8.3 (-5.7)	- 7.3 (-0.9)

Note: Actual 1980 and intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1980 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	153.4 (36.9)	9.3 (-0.3)	-0.2 (3.8)
Non-Manufacturing	62.9 (27.8)	-6.1 (-7.9)	-27.5 (-11.0)
<u>TOTAL</u>	91.4 (31.0)	-1.7 (-5.4)	-18.1 (-6.2)
<u>Domestic Majority Owned</u>			
Manufacturing	28.5 (42.9)	-0.5 (0.9)	13.9 (-3.4)
Non-Manufacturing	24.5 (36.7)	-11.7 (-7.4)	-2.0 (4.0)
<u>TOTAL</u>	25.0 (37.9)	-10.4 (-5.9)	-0.1 (2.4)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 33

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Total Government Majority Owned</u>	27.5 (35.2)	-8.3 (-8.9)	4.6 (1.8)
<u>Total Private Majority Owned</u>	55.7 (35.4)	-8.3 (-4.2)	-14.5 (-2.0)
Manufacturing	80.1 (35.7)	4.1 (0.1)	0.6 (0.8)
Non-Manufacturing	43.5 (35.2)	-13.4 (-6.4)	-21.8 (-3.5)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 34

EXPECTATIONS FOR 1981 AND 1982
BY COMPANIES HEADQUARTERED IN THE ATLANTIC REGION*

(Percent Distribution of Response)

	1981/80			1982/81		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	78.5 (62.6)	21.4 (26.9)	- (10.3)	85.7 (74.5)	14.2 (20.9)	- (4.5)
Export Sales	58.3 (49.2)	25.0 (32.6)	16.6 (18.0)	83.3 (60.1)	16.6 (30.0)	-(9.8)
Profits	46.1 (48.3)	30.7 (21.3)	23.0 (30.2)	50.0 (65.8)	16.6 (17.5)	33.3 (16.6)
Corporate Employment in Canada	28.5 (40.8)	64.2 (49.8)	7.1 (9.3)	28.5 (43.5)	64.2 (50.8)	7.1 (5.6)
Corporate Financial Conditions	28.5 (34.8)	35.7 (41.4)	35.7 (23.6)	21.4 (44.8)	42.8 (42.2)	35.7 (12.9)
Canadian Business Conditions	- (21.7)	57.1 (46.8)	42.8 (31.3)	28.5 (40.7)	42.8 (38.1)	28.5 (21.0)
Foreign Investment Climate	57.1 (43.5)	28.5 (50.3)	14.2 (6.1)	42.8 (42.5)	42.8 (53.5)	14.2 (3.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 15 firms in the Survey panel with headquarters in the Atlantic Region.

TABLE 35

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

QUEBEC REGION

(Current \$ Millions)

	1980	1981	Year-to-Year Percentage Change 1981/1980	Between Survey Revisions (%)	
				1980	1981
Manufacturing	1,003 (6,401)	1,246 (8,953)	24.2 (39.8)	4.0 (0.3)	-4.3 (0.1)
Non-Manufacturing	3,641 (18,955)	4,336 (25,370)	19.0 (33.8)	-8.8 (-7.6)	4.0 (-1.2)
<u>TOTAL</u>	4,644 (25,356)	5,582 (34,323)	20.2 (35.3)	-6.3 (-5.7)	2.0 (-0.9)

Note: Actual 1980 and revised intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1980 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 36
CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change	Between Survey Revisions			
	1981/1980 (%)	1980 (%)		1981 (%)	
<u>Foreign Majority Owned</u>					
Manufacturing	21.2 (36.9)	-8.8	(-0.3)	-3.9	(3.8)
Non-Manufacturing	57.4 (27.8)	-12.9	(-7.9)	-10.9	(-11.0)
<u>TOTAL</u>	38.3 (31.0)	-10.8	(-5.4)	-7.8	(-6.2)
<u>Domestic Majority Owned</u>					
Manufacturing	25.7 (42.9)	12.0	(0.9)	-4.5	(-3.4)
Non-Manufacturing	15.6 (36.7)	-8.4	(-7.4)	6.2	(4.0)
TOTAL	17.3 (37.9)	-5.5	(-5.9)	4.1	(2.4)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 37

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Total Government Majority Owned</u>	13.4 (35.2)	-9.1 (-8.9)	1.2 (1.8)
<u>Total Private Majority Owned</u>	30.0 (35.4)	-1.9 (-4.2)	3.1 (-2.0)
Manufacturing	14.8 (35.7)	2.7 (0.1)	-3.6 (0.8)
Non-Manufacturing	44.1 (35.2)	-5.9 (-6.4)	8.6 (-3.5)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 38

EXPECTATIONS FOR 1981 AND 1982
BY COMPANIES HEADQUARTERED IN THE QUEBEC REGION*

(Percent Distribution of Response)

	1981/80			1982/81		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	58.1 (62.6)	37.2 (26.9)	4.6 (10.3)	61.9 (74.5)	35.7 (20.9)	2.3 (4.5)
Export Sales	47.2 (49.2)	25.0 (32.6)	27.7 (18.0)	71.4 (60.1)	14.2 (30.0)	14.2 (9.8)
Profits	44.1 (48.3)	23.2 (21.3)	32.5 (30.2)	73.8 (65.8)	11.9 (17.5)	14.2 (16.6)
Corporate Employment in Canada	29.5 (40.8)	54.5 (49.8)	15.9 (9.3)	35.7 (43.5)	54.7 (50.8)	9.5 (5.6)
Corporate Financial Conditions	35.0 (34.8)	47.5 (41.4)	17.5 (23.6)	44.7 (44.8)	42.1 (42.2)	13.1 (12.9)
Canadian Business Conditions	20.0 (21.7)	52.5 (46.8)	27.5 (31.3)	40.0 (40.7)	35.0 (38.1)	25.0 (21.0)
Foreign Investment Climate	58.3 (43.5)	37.5 (50.3)	4.1 (6.1)	47.8 (42.5)	47.8 (53.5)	4.3 (3.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 47 firms in the Survey panel with headquarters in Quebec Region.

TABLE 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

ONTARIO REGION

(Current \$ Millions)

	Year-to-Year Percentage Change		Between Survey Revisions (%)	
	1980	1981	1980	1981
Manufacturing	2,917 (6,401)	4,278 (8,953)	-0.9 (0.3)	-1.5 (0.1)
Non-Manufacturing	3,600 (18,955)	5,062 (25,370)	-10.0 (-7.6)	-0.1 (-1.2)
TOTAL	6,517 (25,356)	9,340 (34,323)	-6.2 (-5.7)	-0.7 (-0.9)

Note: Actual 1980 and revised intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1981 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 40

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	36.7 (36.9)	0.5 (-0.3)	2.2 (3.8)
Non-Manufacturing	113.0 (27.8)	-19.8 (-7.9)	15.7 (-11.0)
<u>TOTAL</u>	49.8 (31.0)	-3.6 (-5.4)	5.2 (-6.2)
<u>Domestic Majority Owned</u>			
Manufacturing	61.1 (42.9)	-2.9 (0.9)	-5.7 (-3.4)
Non-Manufacturing	32.5 (36.7)	-8.8 (-7.4)	-2.4 (4.0)
<u>TOTAL</u>	40.2 (37.9)	-7.3 (-5.9)	-3.5 (2.4)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 41

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980 (%)</u>	<u>1980</u> (%)	<u>1981</u>
<u>Total Government Majority Owned</u>	44.1 (35.2)	-15.1 (-8.9)	-6.7 (1.8)
<u>Total Private Majority Owned</u>	42.9 (35.4)	-2.4 (-4.2)	1.7 (-2.0)
Manufacturing	40.8 (35.7)	-0.8 (0.1)	-0.4 (0.8)
Non-Manufacturing	46.0 (35.2)	-4.6 (-6.4)	4.9 (-3.5)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 42
EXPECTATIONS FOR 1981 AND 1982
BY COMPANIES HEADQUARTERED IN ONTARIO REGION*

(Percent Distribution of Response)

	1981/80			1982/80		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	63.2 (62.6)	24.8 (26.9)	12.0 (10.3)	77.5 (74.5)	16.6 (20.9)	5.8 (4.5)
Export Sales	50.5 (49.2)	34.7 (32.6)	14.7 (18.0)	54.4 (60.1)	36.6 (30.0)	8.8 (9.8)
Profits	56.1 (48.3)	23.1 (21.3)	20.6 (30.2)	70.4 (65.8)	20.0 (17.5)	9.5 (16.6)
Corporate Employment in Canada	43.5 (40.8)	46.7 (49.8)	9.6 (9.3)	47.4 (43.5)	47.4 (50.8)	5.0 (5.6)
Corporate Financial Conditions	41.1 (34.8)	41.1 (41.4)	17.6 (23.6)	52.2 (44.8)	41.5 (42.2)	6.1 (12.9)
Canadian Business Conditions	26.8 (21.7)	52.1 (46.8)	21.0 (31.3)	47.3 (40.7)	39.4 (38.1)	13.1 (21.0)
Foreign Investment Climate	35.3 (43.5)	55.3 (50.3)	9.2 (6.1)	40.3 (42.5)	54.8 (53.5)	4.8 (3.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 139 firms in the Survey panel with headquarters in Ontario Region.

TABLE 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

PRAIRIE REGION

(Current \$ Millions)

	1980	1981	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1980	1981
Manufacturing	597 (6,401)	1,112 (8,953)	86.2 (39.8)	-1.6 (0.3)	29.9 (0.1)
Non-Manufacturing	6,670 (18,955)	9,083 (25,370)	36.1 (33.8)	-7.1 (-7.6)	-7.8 (-1.2)
<u>TOTAL</u>	7,267 (25,356)	10,195 (34,323)	40.3 (35.3)	-6.7 (-5.7)	-4.8 (-0.9)

Note: Actual 1980 and revised intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1980 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

MANITOBA & SASKATCHEWAN

(Current \$ Millions)

	1980	1981	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1980	1981
Manufacturing	88 (6,401)	96 (8,953)	8.9 (39.8)	-6.0 (0.3)	-11.8 (0.1)
Non-Manufacturing	1,268 (18,955)	2,031 (25,370)	60.2 (33.8)	1.1 (-7.6)	9.1 (-1.2)
<u>TOTAL</u>	1,356 (25,356)	2,127 (34,323)	56.8 (35.3)	0.6 (-5.7)	8.0 (-0.9)

Note: Actual 1980 and revised intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1980 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

ALBERTA

(Current \$ Millions)

	1980	1981	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1980	1981
Manufacturing	457 (6,401)	908 (8,953)	98.5 (39.8)	-1.3 (0.3)	32.1 (0.1)
Non-Manufacturing	5,257 (18,955)	6,720 (25,370)	27.8 (33.8)	-7.7 (-7.6)	-11.9 (-1.2)
<u>TOTAL</u>	5,714 (25,356)	7,628 (34,323)	33.4 (35.3)	-7.2 (-5.7)	-8.3 (-0.9)

Note: Actual 1980 and revised intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1980 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 46

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>			
		<u>1981/1980</u>	<u>1980</u>	<u>1981</u>	
	(%)		(%)		
<u>Foreign Majority Owned</u>					
Manufacturing	54.8 (36.9)	9.9	(-0.3)	35.8	(3.8)
Non-Manufacturing	14.9 (27.8)	-7.8	(-7.9)	-17.7	(-11.0)
<u>TOTAL</u>	18.4 (31.0)	-6.4	(-5.4)	-13.8	(-6.2)
<u>Domestic Majority Owned</u>					
Manufacturing	130.5 (42.9)	-14.4	(0.9)	24.8	(-3.4)
Non-Manufacturing	62.1 (36.7)	-6.2	(-7.4)	2.9	(4.0)
<u>TOTAL</u>	67.3 (37.9)	-6.9	(-5.9)	4.9	(2.4)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 47

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Total Government Majority Owned</u>	54.7 (35.2)	-4.7 (-8.9)	8.0 (1.8)
<u>Total Private Majority Owned</u>	37.0 (35.4)	-7.1 (-4.2)	-7.5 (-2.0)
Manufacturing	86.3 (35.7)	-1.7 (0.1)	30.2 (0.8)
Non-Manufacturing	31.6 (35.2)	-7.6 (-6.4)	-11.5 (-3.5)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 48

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	62.7 (36.9)	13.9 (-0.3)	46.2 (3.8)
Non-Manufacturing	13.2 (27.8)	-9.0 (-7.9)	-18.9 (-11.0)
<u>TOTAL</u>	17.1 (31.0)	-7.5 (-5.4)	-14.7 (-6.2)
<u>Domestic Majority Owned</u>			
Manufacturing	158.0 (42.9)	-19.2 (0.9)	20.0 (-3.4)
Non-Manufacturing	52.9 (36.7)	-5.5 (-7.4)	-1.1 (4.0)
<u>TOTAL</u>	61.5 (37.9)	-6.8 (-5.9)	1.2 (2.4)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 49

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Total Government Majority Owned</u>	69.0 (35.2)	-7.7 (-8.9)	11.3 (1.8)
<u>Total Private Majority Owned</u>	29.4 (35.4)	-7.2 (-4.2)	-10.6 (-2.0)
Manufacturing	98.5 (35.7)	-1.3 (0.1)	32.1 (0.8)
Non-Manufacturing	22.7 (35.2)	-7.7 (-6.4)	-15.0 (-3.5)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 50

EXPECTATIONS FOR 1981 AND 1982
BY COMPANIES HEADQUARTERED IN THE PRAIRIE REGION*

(Percent Distribution of Response)

	1981/80			1982/81		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	64.5 (62.6)	22.9 (26.9)	12.5 (10.3)	76.5 (74.5)	17.0 (20.9)	6.3 (4.5)
Export Sales	45.4 (49.2)	42.4 (32.6)	12.1 (18.0)	44.1 (60.1)	41.1 (30.0)	14.7 (9.8)
Profits	44.6 (48.3)	14.8 (21.3)	40.4 (30.2)	54.1 (65.8)	16.6 (17.5)	29.1 (16.6)
Corporate Employment in Canada	50.0 (40.8)	43.7 (49.8)	6.2 (9.3)	53.0 (43.5)	40.8 (50.8)	6.1 (5.6)
Corporate Financial Conditions	28.2 (34.8)	39.1 (41.4)	32.6 (23.6)	31.9 (44.8)	42.5 (42.2)	25.5 (12.9)
Canadian Business Conditions	17.3 (21.7)	34.7 (46.8)	47.8 (31.3)	21.2 (40.7)	38.2 (38.1)	40.4 (21.0)
Foreign Investment Climate	50.0 (43.5)	50.0 (50.3)	- (6.1)	50.0 (42.5)	50.0 (53.5)	- (3.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 57 firms in the Survey panel with headquarters in the Prairie Region.

TABLE 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1980-1981

B.C. AND NORTHERN REGION

(Current \$ Millions)

	1980	1981	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1980	1981
Manufacturing	1,084 (6,401)	1,240 (8,953)	14.3 (39.8)	2.0 (0.3)	-6.9 (0.1)
Non-Manufacturing	2,718 (18,955)	3,429 (25,370)	26.1 (33.8)	-8.9 (-7.6)	8.8 (-1.2)
<u>TOTAL</u>	3,802 (25,356)	4,669 (34,323)	22.7 (35.3)	-6.0 (-5.7)	4.1 (-0.9)

Note: Actual 1980 and revised intentions 1981.

These are dollar amounts reported for the years 1980-81 from the April 1981 Survey by firms who reported in both the October 1980 and April 1981 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 52

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1981/1980</u> (%)	<u>1980</u> (%)	<u>1981</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	29.6 (36.9)	-3.8 (-0.3)	7.1 (3.8)
Non-Manufacturing	21.9 (27.8)	-13.8 (-7.9)	-2.0 (-11.0)
<u>TOTAL</u>	23.3 (31.0)	-12.1 (-5.4)	-0.4 (-6.2)
<u>Domestic Majority Owned</u>			
Manufacturing	8.2 (42.9)	4.5 (0.9)	-12.4 (-3.4)
Non-Manufacturing	30.2 (36.7)	-3.6 (-7.4)	20.7 (4.0)
TOTAL	22.3 (37.9)	-0.8 (-5.9)	7.8 (2.4)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 53

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change	Between Survey Revisions			
		1980		1981	
	1981/1980 (%)		(%)		(%)
<u>Total Government Majority Owned</u>	48.7 (35.2)	-5.8	(-8.9)	16.4	(1.8)
<u>Total Private Majority Owned</u>	14.7 (35.4)	-6.1	(-4.2)	-0.1	(-2.0)
Manufacturing	14.3 (35.7)	2.0	(0.1)	-6.9	(0.8)
Non-Manufacturing	15.0 (35.2)	-10.3	(-6.4)	4.4	(-3.5)

Note: Actual 1980 and revised intentions 1981.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 54

EXPECTATIONS FOR 1981 AND 1982
BY COMPANIES HEADQUARTERED IN THE B.C. AND NORTHERN REGION*

(Percent Distribution of Response)

	1981/80			1982/81		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	54.5 (62.6)	31.8 (26.9)	13.6 (10.3)	71.4 (74.5)	28.5 (20.9)	- (4.5)
Export Sales	47.8 (49.2)	26.0 (32.6)	26.0 (18.0)	77.2 (60.1)	18.1 (30.0)	4.5 (9.8)
Profits	25.0 (48.3)	16.6 (21.3)	58.3 (30.2)	60.8 (65.8)	17.3 (17.5)	21.7 (16.6)
Corporate Employment in Canada	37.0 (40.8)	59.2 (49.8)	3.7 (9.3)	28.0 (43.5)	72.0 (50.8)	- (5.6)
Corporate Financial Conditions	18.1 (34.8)	40.9 (41.4)	40.9 (23.6)	50.0 (44.8)	45.0 (42.2)	5.0 (12.9)
Canadian Business Conditions	20.0 (21.7)	25.0 (46.8)	55.0 (31.3)	61.1 (40.7)	33.3 (38.1)	5.5 (21.0)
Foreign Investment Climate	33.3 (43.5)	66.6 (50.3)	- (6.1)	14.2 (42.5)	85.7 (53.5)	- (3.9)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 31 firms in the Survey panel with headquarters in the B.C. and Northern Region.

APPENDIX

- APPENDIX -

Survey of Business Capital Investment -
Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data to avoid the variation in the number of firms reporting in each year and in different surveys. Matching allows one to make consistent comparisons, since only the data for those companies which have reported in the last two surveys for specified years, e.g., 1980 and 1981 are used. This is referred to as a 2 survey - 2 year matched panel.

The above system of matching is applied separately for each of the investment categories specified on a regional table. Hence it is clear that the regional totals obtained on a matched sample basis will not necessarily add to the matched Canada total.

2) The problem of companies in the Survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	<u>1980</u>	<u>1981</u>
	(Current \$ Billions)	
Totals as per Table 1	25.36	34.32
Amounts reported by region		
Atlantic	1.46	2.08
Quebec	4.64	5.58
Ontario	6.52	9.34
Prairies	7.27	10.20
B.C. & Northern Region	3.80	4.67
Unallocated Region*	<u>.59</u>	<u>1.07</u>
TOTAL	<u>24.28</u>	<u>32.94</u>
Difference between totals	1.08	1.38
Portion of difference explained by "matching"	.73	.93
Portion of difference explained by non-response	.35	.45

Note: Actual 1980 revised intentions 1981.

* Include investment which was not specifically allocated to a particular region because it was uncertain which province or region it would take place in and expenditures on movable machinery and equipment which are not allocated to a specific region, i.e., rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than on an establishment basis would definitely affect the sectoral break-down of both the regional and Canada distribution, i.e., whether outlays were categorized as coming under manufacturing, resource industries, etc. Therefore, the IT&C sectoral coverage cannot be properly related to the Statistics Canada Private and Public Investment in Canada Survey (PPI) because investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's mainline of business.

4) The following table provides a breakdown of the number of companies reporting to the IT&C Survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the Survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>CANADA</u>
Mfg.	46	88	119	72	61	156
Non-Mfg.	44	45	64	86	69	133
TOTAL	90	133	183	158	130	289

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REPORT OF THE
IT&C CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN APRIL 1982

June, 1982
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Mr. A. Skahen, Analyst, Capital Expenditures Group, will be pleased to answer any questions which arise from this report.

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PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce covering some 300 large corporations which was carried out in April and May 1982. The survey does not include smaller firms, nor investments in housing, agriculture or fishing. Direct government outlays are also excluded.

The data provided in this report should only be regarded as the investment intentions, at a given point in time, of a panel of large firms; thus the data do not provide the investment picture for the economy as a whole. Nevertheless, the data presented here are useful as an indication of those changes that have occurred in planned outlays since the previous survey, and as an indication of the factors which have caused these changes. The survey results also provide a breakout of investment intentions at a fairly disaggregated level.

EXECUTIVE SUMMARY

The Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce conducted in April and May 1982 covers some 300 large corporations and provides a revised reading on business capital spending for 1982. Several highlights from the current report are given below.

- i) The Survey indicates that the 1982 investment plans of Canada's largest firms have softened considerably in the past six months.
- ii) The Survey results, after adjustments, suggest that the level of business spending in the total economy in 1982 will increase by 11-13 percent in current dollar terms and that in real terms spending for 1982 may be no more than it was in 1981. This compares with estimated increases of 6.4 percent for 1981, 7.4 percent in 1980 and 12.4 percent in 1979 as most recently reported in the National Accounts.
- iii) The proportion of capital spending directed to research and development has increased from 0.8 percent in 1981 to 1.4 percent in 1982; the absolute dollar amount has doubled.
- iv) Compared to a similar Survey conducted in October 1981 this recent Survey shows a 0.4 percent reduction in the level of investment plans for the 1983-1986 period. Companies presently indicate a total of about \$142 billion (current dollars) in investment plans for the medium term.

HIGHLIGHTS OF THE APRIL 1982 SURVEY

The Survey results indicate that following three years of exceptional strength in business capital spending activity, the general business capital investment climate is turning less favourable. From 1979 to 1981 real business spending (excluding housing) on new plant and equipment increased by almost 30 percent over the three years (on a National Accounts basis) while real Gross National Product grew by 6.5 percent; this suggests that excess capacity exists in the Canadian economy and helps to explain why the Survey results indicate some investment weakening.

Interest rate costs have increased considerably and have caused the deferment of many marginal projects. Access to the long term bond market for borrowing is now much more restricted. Furthermore, the rising costs of energy, labour and materials in 1982 will affect the ability of some firms to finance through internal cash flows.

After taking into account some of the factors noted above, the results from the April 1982 Survey suggest that actual or realized business spending in real terms by all business on new plant and equipment (excluding housing) for 1982 may be no more than it was in 1981. This compares with estimated real increases of 6.4 percent for 1981, 7.4 percent for 1980 and 12.4 percent for 1979, as most recently reported in the National Accounts.

The responding companies indicated that their level of spending on new plant and equipment in 1982 would approach \$36 billion in current dollars, an increase of about \$5 billion over 1981. About seven-eighths of this \$5 billion increase was accounted for by one-fifth of the Survey panel of firms concentrated in three main groupings, namely, oil and gas companies, electric utilities, and oil and gas pipelines. Increases in these three groups, as well as in several others, more than offset the year-to-year reductions reported by transportation equipment manufacturers, primary metals companies and forest products companies (Table 1).

Outlook for Manufacturing

Capital spending by reporting manufacturing corporations on new plant and equipment in 1982 is now expected to be about \$7.3 billion in current dollars, an 8 percent drop from the 1981 level of spending. This current level of spending represents a drastic turnaround from that expected for 1982 in the October 1981 Survey when a 10 percent advance was expected. This reduced expectation reflects the adjustments made by the transportation equipment, primary metals and forest products companies.

The chemicals industry shows relatively strong spending plans for 1982. Spending plans of transportation equipment companies are expected to decline by 37 percent, primary metals by 21 percent and forest products by 10 percent. Food and beverages and miscellaneous manufacturing industries also demonstrate weak spending on new plant and equipment for 1982 (Table 1 and Table 2).

Outlook for Non-Manufacturing

The spending plans of respondents in the non-manufacturing sector in 1982 are expected to exceed \$28 billion in current dollars, an increase of about 25 percent over the revised 1981 spending level. Notable strength is apparent in oil and gas, including pipelines, as well as in utilities and trade, finance and other commercial industries. Spending plans of mining companies for 1982 show an anticipated increase of 19 percent, while the plans of transportation and storage, and communication companies indicate advances in the 12 percent range.

Cost of Capital Goods

The average cost adjustment factor or inflation rate used by the large firms in their capital budgets for 1982 was about 12 percent over the cost level for 1981; this represents an increase from the 11

percent used in the October 1981 survey. The expected cost adjustment factors range from 11.5 percent for 1982 for companies headquartered in Ontario to a 12.0 percent for companies headquartered in both Quebec and the B.C. and Northern Region (Table 6).

On an industry basis, the average cost factors are provided in Table 7. It should be noted that primary metals and food and beverages companies are expecting larger cost increases in the 1983-1986 period than the manufacturing sector as a whole. Within the non-manufacturing sector it is the oil and gas companies and pipelines that expect the larger cost increases.

Public Compared to Private Capital Spending

Capital spending in the public or government segment of the large firm panel (i.e. crown corporations) is expected to increase by 26 percent in 1982, while the private sector expects an advance by 13 percent (Table 11). The public portion now represents 33 percent of the total capital spending for 1982 (Table 10).

For 1981, the public and private sectors indicated downward revisions in the level of spending reported earlier to 4.6 percent and 5.5 percent respectively. For 1982, the public sector indicated about a 1 percent (or \$120 million) downward revision between the surveys while the private sector recorded a 12 percent reduction (\$3.1 billion).

On a regional basis the government portion of total capital investments in 1982 ranges from 25 percent in the Prairies to 58 percent in Quebec (Table 10). Within the public sector, British Columbia and the Northern Region and the Atlantic and Prairie regions stand out as areas of strength in 1982 with expected year-over-year advances of 64, 56 and 40 percent respectively (Table 11). For 1981, within this sector, the reported levels of investment were reduced from earlier estimates in all but Ontario. For 1982, the expected

spending in the Atlantic Region and Ontario have been raised from that reported in the October 1981 Survey, while spending levels in the British Columbia and Northern Region, the Prairie Region and Quebec have been lowered.

For private sector investment in 1982, the Atlantic is the leader with an anticipated year-to-year advance of 45 percent; the next strongest area is the Prairies with an advance of some 16 percent. For 1981, the reported levels of spending were reduced from those reported earlier in all regions with the exception of the British Columbia and Northern Region. Similarly, the expected levels of spending for 1982 decreased substantially in all areas but the Atlantic Region.

Foreign versus Domestic Companies

Domestic majority-owned firms plan an increase of 19 percent in their capital spending for 1982 compared with an increase of 12 percent for the foreign majority-owned firms (Table 9). Domestic majority-owned firms represent approximately seven-tenths of total capital spending reported by the Survey panel while the foreign majority-owned firms account for the remainder (Table 8).

Domestic majority-owned firms' spending intentions on plant and equipment for 1982 have been reduced by about 7 percent (\$1.8 billion) between the October 1981 and April 1982 Surveys. Revisions to investment intentions by foreign majority-owned firms in the Survey panel for 1982 amounted to a reduction of 12 percent or \$1.4 billion (Table 9).

On a regional basis, the proportion of investment associated with domestic majority-owned firms ranges from a high of 86 percent in Quebec for 1982 to 57 percent in the Prairie Region (Table 8). Downward revisions are prevalent for 1981 by both domestic and foreign majority-owned firms, the only exception being foreign majority-owned

firms spending in the British Columbia and Northern Region. Domestic majority-owned firms show between-Survey downward revisions in spending for 1982 for all areas but the Atlantic Region. Foreign majority-owned firms' spending for 1982 has decreased in all regions but the British Columbia and Northern Region (Table 9).

Tentative Medium Term Investments

A total of almost \$22 billion in capital investments was not included by the large corporations in their spending plans, but nevertheless was thought to hold high potential for introduction over the medium term. Regionally, firms with headquarters in Ontario reported about \$10 billion or 46 percent of the total and Prairie firms about \$6.5 billion (30 percent of the total). These proposed investments are centered in the non-manufacturing sector, in particular the oil and gas companies and pipelines (Table 14).

Factors Affecting Outlays

The cost of funds, i.e. high interest rates, was the factor mentioned most often as affecting the companies' outlays; 129 of the 285 responding firms reported that interest rates were affecting their current and future plans (Table 15). This factor was cited in the October 1981 Survey as well. As in previous surveys, federal government policies were also a major concern of the companies. Expected cash flow, domestic economic conditions, expected sales in Canada and rates of return were factors mentioned more frequently in April 1982 than in the October 1981 Survey as affecting the companies' investment plans.

Reasons for and Types of Changes in Investment 1982

An upward revision in spending for 1982 was reported by about 32 percent of firms, while 60 percent reported downward revisions and 8 percent indicated no change from the October 1981 Survey (Table 20).

Domestic and foreign market demand and internal (expected cash flow) and external (cost of funds) financial considerations were identified as the major factors causing firms to revise their 1982 spending plans downward. Firms who reported upward revisions indicated that better estimates, domestic market demand and carryovers were some of the factors in their budget decisions. For further details, see Tables 18-27.

Purpose of Investment

Of the total corporations in the Survey panel, 248 reported the breakdown of their capital spending by purpose; thus, about 75 percent of the total reported capital spending for 1982 was allocated to the various purpose categories. Categories generally fall into two basic groups, namely those which add directly to production facilities, and those which do not, the latter group including research and development, pollution abatement and working environment, the former group including expansion of facilities at existing sites, up-grading and replacement and new facilities at new sites.

The larger portions of capital spending continue to be directed to the expansion of existing facilities and to new facilities at new sites. The proportion of capital spending directed to research and development has increased from 0.8 percent in 1981 to 1.4 percent in 1982; the absolute dollar amount has doubled. For further details, see Tables 28, 29 and 30.

Medium Term Investment

A comparison of the results of the current Survey with that of October 1981 shows that earlier investment plans for the 1983-1986 period in Canada as a whole remain relatively unchanged (-0.4 percent). Companies presently indicate a total of about \$142 billion (current dollars) in investment plans for the medium term. Increased spending intentions for the medium term reported by companies in

forest products, mining, and oil and gas pipelines were offset by reduced levels of spending reported by oil and gas companies and primary metal companies.

On a regional basis, the Atlantic and British Columbia Regions show large between-Survey upward revisions for the 1983-1986 period, in contrast to the spending revisions reported for the Prairies. See Tables 12, 13, 16 and 17 for further details.

Regional Distribution of Business Investment

Spending patterns reported in the Survey reflect developments in the various regions in broad terms only and therefore should be interpreted with some caution.

For 1982 as compared to 1981, a larger proportion of capital expenditures on new production facilities is designated for the Prairies and Atlantic Region, while Quebec and Ontario are receiving a smaller share.

The regional percentage distribution of total business capital investment over the medium term, as reported by the firms surveyed in April 1982, is presented in the following table:

<u>Regions</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Atlantic	6.0	7.9	8.2	9.0	9.0	8.0
Quebec	18.9	17.4	18.5	17.6	16.8	20.6
Ontario	27.3	26.2	23.7	22.7	22.9	21.3
Prairies	29.2	31.3	30.9	31.7	32.0	30.8
BC & Northern	14.1	14.3	15.3	15.3	15.0	15.3
Unallocated*	4.5	2.9	3.4	3.7	4.3	4.0

* Includes investment which was not specifically allocated to a particular region because it was uncertain which region it would take place in and expenditures on moveable machinery and equipment, i.e., rail rolling stock, ships, etc.

Regional Perspectives

Atlantic Region (Tables 31-34)

Total spending on plant and equipment in 1982 in the Atlantic region by companies in the Survey panel is expected to be about \$2.6 billion. (As noted earlier, dollar levels and percent changes are based on current dollars.) This represents an increase of almost 50 percent over the level of \$1.8 billion reported for 1981 (Table 31). Compared with the October 1981 Survey returns, these levels of investment represent revisions of -13.4 percent for 1981 and +3.2 percent for 1982.

Investment spending in 1982 by the manufacturing sector in the Atlantic region is expected to advance by about 19 percent, to a level of \$548 million. Within this sector the primary metals and forest products sectors register the larger percentage increases for 1982.

For the non-manufacturing sector in the Atlantic Region, capital spending is expected to reach \$2,073 million, up 61 percent over 1981. The largest year-to-year advances are reported by mining and oil and gas companies. Trade, finance and other commercial companies' investment is expected to increase by about one-fifth in 1982.

Crown corporations, which account for about 40 percent of total capital spending in the Atlantic region for 1982 (Table 10), have revised their 1982 spending plans upward by 5.7 percent, while the private sector recorded a 1.6 percent increase in investment plans for 1982, since the last Survey. This is in contrast to the total Canada picture which records declines of 1.1 and 11.7 percent respectively. Both sectors recorded downward revisions of 21 and 8 percent respectively in their level of spending for 1981 (Table 33).

Foreign majority-owned firms expect to increase spending on new plant and equipment by 34 percent in the Atlantic provinces in 1982 while domestic majority-owned firms expect spending to increase by about 57 percent. Domestic majority-owned firms show an upward revision of 9 percent from the previous Survey in the level of spending expected for 1982, due to increases in the level of spending by non-manufacturing firms. In contrast, foreign majority-owned firms show a 9 percent reduction in intended outlays for 1982 concentrated mainly in the non-manufacturing sector (Table 32).

Quebec (Tables 35-38)

The April 1982 Survey shows that the large corporations investing in new plant and equipment in Quebec expect to spend \$5.4 billion in 1982, an increase of 8 percent over the 1981 level of \$5.0 billion. This level of spending for 1982 represents a reduction of 5 percent from that reported in October 1981 (Table 35).

Capital spending by the manufacturing sector in Quebec is expected to reach about \$1.1 billion in 1982, slightly lower than the 1981 level. The transportation equipment, food and beverage, and miscellaneous manufacturing sectors indicated the strongest year-over-year percentage increases while the primary metals and chemicals sectors showed declines.

The 12 percent increase in the spending plans in 1982 for the Quebec non-manufacturing sector is below the national average of a 25 percent increase for this sector. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of crown corporations. The larger year-to-year percentage increases for 1982 are in the oil and gas companies, mining, and trade, finance and other commercial sectors. Utilities record relatively weak spending plans.

Crown (public) corporations, which account for about 58 percent of the total capital spending in Quebec (Table 10), are expecting to increase spending in 1982 by 6 percent. Private sector spending in Quebec is expected to advance by 10 percent in 1982. The level of spending for 1982 reported by public companies has decreased by 2 percent since the October 1981 Survey and the current level reported by private companies is 9 percent lower.

Companies headquartered in Quebec are more optimistic about prospects for 1983 than they are for 1982. This is particularly true with respect to profits and Canadian business conditions. In addition, domestic and export sales are expected to show some improvement in 1983 (Table 38).

In April 1982, companies headquartered in Quebec had about \$1.0 billion of investments, which were not included in their reported spending plans but were nevertheless thought to hold high potential for introduction over the medium term (Table 14). Expected cash flow, cost of funds, economic conditions and expected sales were the factors that were most frequently mentioned as affecting the spending plans of these companies (Table 15). There has been an increase in the frequency of response indicating provincial and Canadian federal government policies as having had a negative impact on investment plans.

Ontario (Tables 39-42)

Corporations with plant and equipment investments in Ontario reported in the April 1982 Survey that they expect their level of spending in 1982 to approach \$9.4 billion, an increase of 12 percent or \$1.0 billion over the revised 1981 level (Table 39).

Investment spending in 1982 by the manufacturing sector in Ontario is expected to reach about \$3.1 billion, a decrease of 15 percent from the 1981 level. The chemicals and miscellaneous

manufacturing sectors are recording year-to-year advances. Transportation equipment manufacturing companies and primary metal companies recorded decreases in the level of investment for 1982.

The 33 percent increase in spending for 1982 by the non-manufacturing sector in Ontario is somewhat above the national average of 25 percent for this sector. Oil and gas pipelines, oil and gas companies and electric utilities are the principal contributors to the expected increase in spending.

Private sector spending in Ontario for 1982 is expected to advance by 5 percent as compared with a 29 percent increase in the public segment of the business sector (Table 41). Private sector spending on plant and equipment accounts for about two-thirds of the total investment in Ontario for 1982. Revisions in investment intentions from the October Survey for 1982 by the public and private segments of the Survey panel amounted to an increase of about \$70 million or 2 percent for the public segment and a decrease of \$960 million (13 percent) for the private portion of the Survey panel.

Foreign majority-owned firms show about a 3 percent decrease in spending in Ontario in 1982 while domestic majority-owned firms indicate an 18 percent advance (Table 40). Strength for 1982 in the domestic sector is centered in the non-manufacturing sector which records a 28 percent or \$1.2 billion increase over 1981. In the foreign majority-owned segment, the decline in the spending plans of the manufacturing sector, in particular transportation equipment and forest products, more than offset increases in the non-manufacturing sector (mining and oil and gas companies).

Companies with headquarters in Ontario are more optimistic about profits and corporate financial conditions for 1983 than was the case for 1982 (Table 42). They are also optimistic about domestic and export sales in 1983 as well as overall Canadian business conditions.

Capital investments of over \$10.0 billion were not included in the capital spending plans of the Ontario-headquartered corporations but were thought to hold high potential for introduction over the next few years. Over 95 percent of this considered investment was reported by non-manufacturing firms, in particular, oil and gas companies. The considered investments by manufacturing firms, are centered in chemicals and primary metals.

In April 1982, as was the case in October 1981, the cost of funds was the factor most often cited by companies with headquarters in Ontario as having a negative effect on spending plans (Table 15). Expected cash flow, government policies, rates of return, domestic sales and Canadian business conditions are also concerns. The availability of funds appears to be more of a concern now for Ontario based companies than was the case in October.

Prairie Region (Tables 43-50)

Total capital spending in the Prairies in 1982 is expected to be about \$10.3 billion, an increase of 21 percent from the revised 1981 levels. This level represents a decrease of 11 percent or \$1.3 billion from that expected for 1982 in October 1981 (Table 43). For 1982 spending in Alberta is expected to rise by 24 percent, in Saskatchewan by 16 percent, and in Manitoba by 2 percent. Over 75 percent of the investment directed to the Prairies will be allocated to Alberta and as such it dominates the overall Prairie picture.

Manufacturing spending in the Prairies is expected to advance by 19 percent in 1982 due mainly to the spending intentions of the chemical companies which expect to increase their spending in 1982 by almost 50 percent (Table 43). Spending by manufacturing firms in Manitoba and Saskatchewan is expected to decline by 26 percent in 1982, while in contrast manufacturing spending in Alberta is expected to increase by 26 percent (Tables 44 and 45).

Total non-manufacturing spending in the Prairies of \$9.1 billion for 1982 represents an advance of 22 percent over the revised 1981 level - a slightly lower percentage increase than that expected for non-manufacturing in Canada as a whole (Table 43). For Alberta, non-manufacturing spending for 1982 was revised downward from October 1981 anticipations (by about 9 percent) and is now expected to advance by 24 percent over 1981 levels. All non-manufacturing sectors in Alberta, with the exception of communication companies, showed decreased levels of spending for 1982 from October 1981 projections (Table 45). Non-manufacturing spending in Manitoba and Saskatchewan combined is expected to advance by 14 percent in 1982. This increase is due to the planned spending by mining and transportation companies in both Manitoba and Saskatchewan as well as spending of oil and gas companies in Saskatchewan.

Private sector spending in 1982 is advancing by 16 percent in the Prairies as compared with 40 percent for the public segment of the business sector. Since October 1981 the public or government sector in the Prairies has decreased its expected level of spending for 1982 by about 3 percent, which is somewhat more than the Canadian average of 1 percent. Private sector spending levels for 1982 show a 14 percent reduction from October expectations, reflecting lower spending by the oil and gas companies, pipelines, mining and trade, finance and other commercial companies (Table 47).

Domestic and foreign firms are expecting percentage increases in their capital spending in the Prairies for 1982, of about the same magnitude, i.e. 21 percent (Table 46).

Companies with headquarters in the Prairies are generally more optimistic about prospects for 1983 as compared with 1982, especially with respect to profits and Canadian business conditions (Table 50).

Capital investments of about \$6.5 billion were not included in the capital spending plans of the Prairie-headquartered companies but were thought to hold high potential for introduction over the medium term (Table 14).

In April 1982, as was the case in October 1981, the factor most frequently mentioned as affecting capital spending plans were federal government policies (Table 5). Cost of funds, expected cash flow and expected sales appear to be of more concern now.

British Columbia and Northern Region (Tables 51-54)

Spending for 1982 in the British Columbia and Northern Region (including the Yukon and Northwest Territories) is expected to reach \$4.9 billion. This current level of spending is about 18 percent or \$760 million above the revised 1981 level (\$4.2 billion). However, this level represents a \$500 million reduction from October 1981 estimates (Table 51).

Investment in the manufacturing sector in this region is expected to reach about \$780 million in 1982, a 30 percent reduction from 1981. Declines in the forest products, miscellaneous manufacturing and primary metals sectors more than offset increases in food and beverages and chemicals.

Expected spending by non-manufacturing firms in the British Columbia and Northern Region of \$4.1 billion for 1982 represents an advance of 36 percent over 1981 levels, or somewhat above the national average increase of 25 percent for this sector. Spending plans of the oil and gas and transportation and storage companies provided the major impetus to this increase. Pipelines and trade, finance and other commercial companies expect to reduce their level of spending in 1982.

Spending for 1982 by the public segment of the business sector on new plant and equipment is expected to increase by about 64 percent (Table 53). The private sector spending increase for 1982 is expected to be about 5 percent.

Foreign majority-owned firms investing in the British Columbia and Northern Region are expected to increase spending by 2 percent in 1982, while a 26 percent increase is expected by domestic majority-owned firms. The domestic segment in the British Columbia Region is recording a higher increase for 1982 than the national average (Table 52).

Companies with headquarters in the British Columbia and Northern Region show more optimism for prospects in 1983 than for 1982, especially with respect to Canadian business conditions, corporate employment prospects and profits (Table 54).

The British Columbia- and Northern-headquartered firms reported \$1.5 billion of capital investments which were not included in their reported budgets but were considered to hold high potential for implementation over the next few years (Table 14). About 85 percent of this amount was reported by manufacturing firms (forest products and primary metals companies).

Cost of funds and expected cash flow were the factors most often mentioned as affecting spending plans by the firms in this region; the frequency of response for both of these factors has increased markedly since October 1981 (Table 15). Expected sales abroad, Canada government policies and economic conditions in Canada and abroad are also concerns.

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1981 AND PLANS FOR 1982 -- CANADA

(Current \$ Millions)

Industry	1981 Reported in Oct. 1981	1981 Reported in April 1982	1982 Reported in Oct. 1981	1982 Reported in April 1982
Food & Beverages	388.1	380.2	416.1	387.1
Forest Products	2,057.9	2,079.2	2,207.5	1,868.6
Primary Metals	1,668.7	1,630.0	1,812.0	1,291.8
Chemicals	1,151.5	1,114.0	1,666.2	1,376.8
Transportation Equip.	1,372.4	1,250.7	928.5	793.8
Other Manufacturing	1,412.1	1,412.3	1,839.7	1,553.2
<u>Total Manufacturing</u>	<u>8,050.7</u>	<u>7,866.4</u>	<u>8,870.0</u>	<u>7,271.3</u>
Mining Companies	2,062.3	1,927.4	2,552.5	2,300.9
Oil & Gas Companies	7,289.9	6,693.8	10,163.1	8,839.4
Oil & Gas Pipelines	1,915.6	1,627.5	2,354.6	2,480.6
Transp. & Storage	1,976.1	1,871.5	2,204.0	2,108.1
Communications	2,823.8	2,752.8	3,238.8	3,087.2
Electric Utilities	6,846.6	6,643.6	7,828.1	8,123.6
Trade, Finance and Other Commercial	1,258.2	1,165.8	1,761.5	1,506.2
<u>Total Non-Manufacturing</u>	<u>24,172.5</u>	<u>22,682.5</u>	<u>30,102.6</u>	<u>28,445.9</u>
 <u>TOTAL</u>	 <u>32,223.2</u>	 <u>30,548.9</u>	 <u>38,972.6</u>	 <u>35,717.2</u>

* Only those firms which reported for the April 1982 and the October 1981
Surveys for the years 1981 and 1982 are used in this table, namely 284 firms.

TABLE 2

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1981 AND PLANS FOR 1982 -- CANADA

(Current \$ Millions)

<u>Industry</u>	Revisions Between April 1982 & October 1981 Surveys (Percent Change)		1982/81 Year-to-Year (Percent Change)	
	<u>1981</u>	<u>1982</u>	<u>Reported in Oct. 1981</u>	<u>Reported in Apr. 1982</u>
Food & Beverages	-2.1	-7.0	7.2	1.8
Forest Products	1.0	-15.4	7.2	-10.2
Primary Metals	-2.4	-28.8	8.5	-20.8
Chemicals	-3.3	-17.4	44.6	23.5
Transportation Equip.	-8.9	-14.6	-32.4	-36.6
Other Manufacturing	0.0	-15.6	30.2	9.9
<u>Total Manufacturing</u>	<u>-2.3</u>	<u>-18.1</u>	<u>10.1</u>	<u>-7.6</u>
Mining Companies	-6.6	-9.9	23.7	19.3
Oil & Gas Companies	-8.2	-13.1	39.4	32.0
Oil & Gas Pipelines	-15.1	5.3	22.9	52.4
Transp. & Storage	-5.3	-4.4	11.5	12.6
Communications	-2.6	-4.7	14.6	12.1
Electric Utilities	-3.0	3.7	14.3	22.2
Trade, Finance and Other Commercial	-7.4	-14.5	40.0	29.1
<u>Total Non-Manufacturing</u>	<u>-6.2</u>	<u>-5.6</u>	<u>24.5</u>	<u>25.4</u>
<u>TOTAL</u>	<u>-5.2</u>	<u>-8.4</u>	<u>20.9</u>	<u>16.9</u>

* Only those firms which reported for the April 1982 and the October 1981
Surveys for the years 1981 and 1982 are used in this table, namely 284 firms.

TABLE 3

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1981 AND PLANS FOR 1982 -- CANADA

(Constant 1981 \$ Millions)

Industry	1981 Reported in Oct. 1981	1981 Reported in Apr. 1982	1982 Reported in Oct. 1981	1982 Reported in Apr. 1982
Food & Beverages	388.1	380.2	374.9	348.5
Forest Products	2,057.9	2,079.2	1,986.6	1,683.5
Primary Metals	1,668.7	1,630.0	1,637.6	1,143.2
Chemicals	1,151.5	1,114.0	1,507.7	1,238.0
Transportation Equip.	1,372.4	1,250.7	841.5	718.2
Other Manufacturing	1,412.1	1,412.3	1,651.0	1,404.5
<u>Total Manufacturing</u>	<u>8,050.7</u>	<u>7,866.4</u>	<u>7,999.3</u>	<u>6,535.9</u>
Mining Companies	2,062.3	1,927.4	2,305.4	2,064.9
Oil & Gas Companies	7,289.9	6,693.8	9,122.2	7,829.9
Oil & Gas Pipelines	1,915.6	1,627.6	2,131.8	2,220.4
Transp. & Storage	1,976.1	1,871.5	1,992.2	1,899.9
Communications	2,823.8	2,752.8	2,939.0	2,812.5
Electric Utilities	6,846.6	6,643.6	7,039.8	7,245.4
Trade, Finance and Other Commercial	1,258.2	1,165.8	1,576.6	1,367.8
<u>Total Non-Manufacturing</u>	<u>24,172.5</u>	<u>22,682.5</u>	<u>27,107.0</u>	<u>25,440.8</u>
<u>TOTAL</u>	<u>32,223.2</u>	<u>30,548.9</u>	<u>35,106.3</u>	<u>31,976.7</u>

* Only those firms which reported for the April 1982 and the October 1981
Surveys for the years 1981 and 1982 are used in this table, namely 284 firms.

TABLE 4

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1981 AND PLANS FOR 1982 -- CANADA

(Constant 1981 \$ Millions)

Industry	Revisions Between April 1982 & October 1981 Surveys (Percent Change)		1982/81 Year-to-Year (Percent Change)	
	1981	1982	Reported in Oct. 1981	Reported in Apr. 1982
Food & Beverages	-2.1	-7.1	-3.5	-8.4
Forest Products	1.0	-15.3	-3.5	-19.1
Primary Metals	-2.4	-30.2	-1.9	-29.9
Chemicals	-3.3	-17.9	30.9	11.1
Transportation Equip.	-8.9	-14.7	-38.7	-42.6
Other Manufacturing	0.0	-15.0	16.9	-0.6
<u>Total Manufacturing</u>	<u>-2.3</u>	<u>-18.3</u>	<u>-0.7</u>	<u>-17.0</u>
Mining Companies	-6.6	-10.5	11.7	7.1
Oil & Gas Companies	-8.2	-14.2	25.1	16.9
Oil & Gas Pipelines	-15.1	4.1	11.2	36.4
Transp. & Storage	-5.3	-4.7	0.8	1.5
Communications	-2.6	-4.4	4.0	2.1
Electric Utilities	-3.0	2.9	2.8	9.0
Trade, Finance and Other Commercial	-7.4	-13.3	25.3	17.3
<u>Total Non-Manufacturing</u>	<u>-6.2</u>	<u>-6.2</u>	<u>12.1</u>	<u>12.1</u>
<u>TOTAL</u>	<u>-5.2</u>	<u>-9.0</u>	<u>8.9</u>	<u>4.6</u>

* Only those firms which reported for the April 1982 and the October 1981
Surveys for the years 1981 and 1982 are used in this table, namely 284 firms.

TABLE 5.A

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Current \$ Millions)

<u>Province</u>	<u>No. of Companies</u>	<u>1981 Reported in Oct. 1981</u>	<u>1981 Reported in Apr. 1982</u>	<u>1982 Reported in Oct. 1981</u>	<u>1982 Reported in Apr. 1982</u>
Newfoundland	37	626.3	552.5	1,032.5	912.9
Prince Edward Island	12	15.3	15.4	15.9	15.5
Nova Scotia	40	686.6	567.5	776.4	745.8
New Brunswick	38	637.3	573.1	589.9	821.7
Atlantic Provinces	87	2,030.9	1,752.2	2,537.7	2,621.0
Quebec	134	5,183.1	4,958.4	5,644.2	5,359.2
Ontario	178	8,727.3	8,416.6	10,317.9	9,431.4
Manitoba	61	547.1	566.0	703.6	579.3
Saskatchewan	63	1,432.4	1,320.5	1,698.7	1,526.3
Alberta	124	6,629.8	6,271.3	8,592.4	7,802.3
Prairie Region	158	9,046.8	8,446.3	11,524.4	10,262.2
British Columbia	119	3,453.6	3,378.3	4,245.0	3,775.4
Yukon	8	81.2	90.4	64.2	43.4
Northwest Territories	19	570.1	661.7	1,046.8	1,051.5
B.C. and Northern	126	4,144.8	4,161.3	5,417.5	4,921.1
<u>CANADA</u>	<u>284</u>	<u>32,223.2</u>	<u>30,548.9</u>	<u>38,972.6</u>	<u>35,717.2</u>

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals will not necessarily add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 5.B

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1982/1981</u>	<u>1981</u>	<u>1982</u>
Atlantic	49.5	-13.8	3.2
Quebec	8.0	-4.4	-5.1
Ontario	12.0	-3.6	-8.6
Prairies	21.4	-6.7	-11.0
B.C. & Northern	18.2	0.3	-9.2
	<hr/>	<hr/>	<hr/>
<u>CANADA</u>	<u>16.9</u>	<u>-5.2</u>	<u>-8.4</u>

Note: Actual 1981 and revised intentions 1982.

TABLE 6

YEAR-TO-YEAR PERCENTAGE CHANGES ESTIMATED IN
THE COST OF CAPITAL GOODS REPORTED APRIL 1980 FOR:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Atlantic	11.8	12.0	11.5	10.8	9.0
Quebec	12.0	11.6	10.2	10.4	10.6
Ontario	11.5	10.3	10.3	9.8	9.4
Prairies	11.6	10.6	9.8	9.0	9.7
B.C. & Northern	12.0	11.8	10.2	9.7	12.0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>CANADA</u>	<u>11.7</u>	<u>11.1</u>	<u>10.2</u>	<u>9.6</u>	<u>10.2</u>

TABLE 7

COST ADJUSTMENT FACTORS 1981-1986

<u>Industry</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Food & Beverage	100.0	111.1	124.0	138.1	153.1	167.9
Forest Products	100.0	110.9	121.6	133.8	146.7	160.1
Primary Metals	100.0	113.0	124.8	137.8	155.0	171.2
Chemicals	100.0	111.2	121.9	134.9	148.5	165.4
Transportation Equipment	100.0	110.5	120.9	133.7	146.7	162.4
Other Manufacturing	100.0	110.6	121.7	133.8	146.6	160.4
<u>TOTAL MANUFACTURING</u>	<u>100.0</u>	<u>111.3</u>	<u>122.5</u>	<u>135.1</u>	<u>149.2</u>	<u>164.5</u>
Mining	100.0	111.4	123.7	136.5	149.9	165.5
Oil & Gas Companies	100.0	112.9	126.2	139.2	153.1	171.6
Oil & Gas Pipelines	100.0	111.7	125.6	139.3	153.0	163.6
Transportation & Storage	100.0	110.9	121.7	132.7	144.2	154.7
Communications	100.0	109.7	120.6	132.0	144.2	157.3
Electric Utilities	100.0	112.1	124.7	137.2	150.2	165.0
Trade, Finance & Other Commercial	100.0	110.1	123.4	134.5	146.1	161.1
<u>TOTAL NON-MANUFACTURING</u>	<u>100.0</u>	<u>111.8</u>	<u>124.4</u>	<u>137.1</u>	<u>150.1</u>	<u>165.4</u>
<u>TOTAL BUSINESS</u>	<u>100.0</u>	<u>111.7</u>	<u>124.1</u>	<u>136.8</u>	<u>150.0</u>	<u>165.3</u>

TABLE 8

DISTRIBUTION OF CAPITAL INVESTMENT BY
DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	Domestic		Foreign	
	1981	1982	1981	1982
	%		%	
Atlantic	68	71	32	29
Quebec	89	86	11	14
Ontario	71	75	29	25
Prairies	57	57	43	43
B.C. & Northern	66	71	34	29
	—	—	—	—
<u>CANADA</u>	<u>70</u>	<u>71</u>	<u>30</u>	<u>29</u>

TABLE 9

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change	Between Survey Revisions	
	1982/1981	1981	1982
<u>Domestic Majority Owned</u>	(%)	(%)	(%)
Atlantic	57.0	-14.3	9.3
Quebec	4.5	-2.7	-3.9
Ontario	18.1	-2.0	-7.9
Prairies	21.5	-7.4	-10.2
B.C. & Northern	26.4	-1.7	-13.4
	—	—	—
<u>CANADA</u>	<u>19.0</u>	<u>-5.2</u>	<u>-6.9</u>
<u>Foreign Majority Owned</u>			
Atlantic	33.7	-12.6	-9.3
Quebec	37.2	-16.5	-12.0
Ontario	-3.2	-7.4	-10.8
Prairies	21.4	-5.7	-12.1
B.C. & Northern	2.3	4.6	2.6
	—	—	—
<u>CANADA</u>	<u>11.9</u>	<u>-5.4</u>	<u>-11.9</u>

Note: Actual 1981 and revised intentions 1982.

See Table 9A for the dollar levels for 1981 and 1982.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1981-1982

(Current \$ Millions)

DOMESTIC OWNED COMPANIES/FOREIGN OWNED COMPANIES

ALL INDUSTRIES

<u>DOMESTIC</u>	<u>1981</u>	<u>1982</u>
Atlantic	1,188.9	1,867.5
Quebec	4,420.1	4,620.5
Ontario	6,017.3	7,108.4
Prairies	4,854.2	5,899.7
B.C. & Northern	2,744.0	3,470.3
<u>CANADA</u>	<u>21,257.8</u>	<u>25,314.0</u>
<u>FOREIGN</u>		
Atlantic	563.3	753.5
Quebec	538.3	738.7
Ontario	2,399.3	2,323.0
Prairies	3,592.1	4,362.5
B.C. & Northern	1,417.3	1,450.8
<u>CANADA</u>	<u>9,291.1</u>	<u>10,403.2</u>

Note: (1) Actual 1981 and revised intentions 1982.

(2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point(1) for an explanation of "matching".

TABLE 10

DISTRIBUTION OF CAPITAL INVESTMENT BY
PUBLIC AND PRIVATE FIRMS WITHIN REGIONS

	Public		Private	
	1981	1982	1981	1982
	(%)		(%)	
Atlantic	39	40	61	60
Quebec	59	58	41	42
Ontario	30	34	70	66
Prairies	22	25	78	75
B.C. & Northern	22	31	78	69
	—	—	—	—
<u>CANADA</u>	<u>31</u>	<u>33</u>	<u>69</u>	<u>67</u>

TABLE 11

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change	Between Survey Revisions	
	1982/1981	1981	1982
<u>Public Majority Owned</u>	(%)	(%)	(%)
Atlantic	56.1	-21.2	5.7
Quebec	6.3	-3.8	-2.4
Ontario	28.8	0.9	2.1
Prairies	39.6	-7.4	-2.5
B.C. & Northern	63.5	-1.9	-4.2
	—	—	—
<u>CANADA</u>	<u>26.4</u>	<u>-4.6</u>	<u>-1.1</u>
<u>Private Majority Owned</u>			
Atlantic	45.4	-8.3	1.6
Quebec	10.4	-5.3	-8.5
Ontario	4.9	-5.4	-13.4
Prairies	16.4	-6.5	-13.5
B.C. & Northern	5.2	1.0	-11.3
	—	—	—
<u>CANADA</u>	<u>12.6</u>	<u>-5.5</u>	<u>-11.7</u>

Note: Actual 1981 and revised intentions 1982.

See Table 11A for the dollar levels for 1981 and 1982.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1981-1982

(Current \$ Millions)

PUBLIC COMPANIES/PRIVATE COMPANIES

ALL INDUSTRIES

<u>PUBLIC</u>	<u>1981</u>	<u>1982</u>
Atlantic	676.7	1,056.5
Quebec	2,905.2	3,090.5
Ontario	2,491.1	3,210.9
Prairies	1,838.5	2,566.7
B.C. & Northern	926.2	1,514.7
<u>CANADA</u>	<u>9,418.6</u>	<u>11,908.0</u>
<u>PRIVATE</u>		
Atlantic	1,075.5	1,564.5
Quebec	2,053.2	2,268.7
Ontario	5,925.5	6,220.5
Prairies	6,607.8	7,695.5
B.C. & Northern	3,235.1	3,406.4
<u>CANADA</u>	<u>21,130.3</u>	<u>23,809.2</u>

Note: (1) Actual 1981 and revised intentions 1982.

(2) The above Table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 12

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES 1981-1986

(Current \$ Millions)

SURVEY/REGION	1981	1982	1983	1984	1985	1986	TOTAL
<u>April 1982*</u>							
Atlantic (63)	1,392	2,202	2,670	3,010	3,028	2,900	15,202
Quebec (98)	4,396	4,842	6,049	5,874	5,629	7,437	34,227
Ontario (122)	6,350	7,317	7,751	7,610	7,690	7,698	44,416
Prairies (108)	6,797	8,742	10,090	10,622	10,732	11,110	58,093
B.C. & Northern (85)	3,281	3,986	5,000	5,113	5,054	5,509	27,943
<u>CANADA (214)</u>	<u>25,163</u>	<u>30,498</u>	<u>34,319</u>	<u>35,292</u>	<u>34,998</u>	<u>37,384</u>	<u>197,654</u>
<u>October 1981**</u>							
Atlantic (63)	1,617	2,064	2,524	2,838	2,804	2,674	14,521
Quebec (98)	4,597	5,033	5,852	5,886	5,818	7,514	34,700
Ontario (122)	6,563	7,851	7,580	7,608	7,064	8,493	45,159
Prairies (108)	7,432	9,794	11,223	11,406	11,820	12,881	64,556
B.C. & Northern (85)	3,247	4,216	5,200	4,777	4,221	5,300	26,961
<u>CANADA (214)</u>	<u>26,618</u>	<u>32,551</u>	<u>34,880</u>	<u>34,547</u>	<u>34,004</u>	<u>39,186</u>	<u>201,786</u>

Note: * Actual 1981 and revised intentions 1982-86.

** Preliminary actual 1981 and intentions 1982-86.

Only those firms which reported for the October 1981 and April 1982 Surveys for the years 1981-86 (each and every year) are used in this table, i.e. a matched panel. The number of reporting companies is provided in brackets after the name of each region. See Appendix, point (1) for the explanation of matching.

TABLE 13

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

Between Survey Revisions

	<u>1981-1982</u>	<u>1983-1986</u>	<u>1981-1986</u>
Atlantic	-2.4	7.1	4.7
Quebec	-4.1	-0.3	-1.4
Ontario	-5.2	0.0	-1.6
Prairies	-9.8	-10.1	-10.0
B.C. & Northern	-2.6	6.0	3.6
	-----	-----	-----
<u>CANADA</u>	<u>-5.9</u>	<u>-0.4</u>	<u>-2.0</u>

TABLE 14

CONSIDERED INVESTMENT

Percent Distribution

<u>Companies with H.Q. in:</u>	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Atlantic (4 of 15)	-	12.1	12.1
Quebec (7 of 41)	2.6	2.2	4.8
Ontario (14 of 139)	1.3	45.0	46.3
Prairies (12 of 57)	*	30.1	30.1
B.C. & Northern (7 of 32)	5.7	0.9	6.7
	-----	-----	-----
<u>All Companies</u> (44 of 285)	<u>9.7</u>	<u>90.3</u>	<u>100.0</u>

(\$21,780)

Note: The number of reporting companies is provided in brackets.

* Less than .05 percent.

TABLE 15

FACTORS REPORTED AS AFFECTING CURRENT AND CONSIDERED INVESTMENT SPENDING

(Frequency of Response)

FACTOR/REGION OF H.Q.	ATLANTIC		QUEBEC		ONTARIO		PRAIRIES		B.C. & NORTHERN		TOTAL	
	081	A82	081	A82	081	A82	081	A82	081	A82	081	A82
Cdn. Fed. Gov't Policies	3	7	8	13	46	66	20	24	10	9	88	119
Other Cdn. Gov't Policies	3	5	3	8	16	31	16	17	5	2	43	63
Foreign Gov't Policies	1	1	1	2	11	10	1	2	1	1	15	16
Exchange Rates	1	1	3	3	17	17	2	3	3	4	26	28
Non-Tariff Barriers Canada	-	-	-	-	1	1	-	-	-	-	1	1
Cdn. Tariffs Too High	1	-	-	1	-	-	-	-	-	-	1	1
Cdn. Tariffs Too Low	-	1	-	-	4	3	-	-	-	-	4	4
Barriers Abroad	-	-	-	-	5	3	-	1	-	-	6	4
Other Trading Factors	-	1	-	1	3	4	2	1	-	-	5	7
Expected Cash Flow	2	4	12	14	42	54	10	16	9	15	75	103
Rates of Return	1	5	9	12	34	38	9	11	2	3	56	69
Other Internal Fin. Cond.	1	1	1	1	2	9	1	2	1	1	1	14
Cost of Funds	2	9	9	15	59	68	16	20	10	17	97	129
Availability of Funds	-	3	7	6	13	21	4	1	7	4	31	35
Other External Fin. Cond.	-	1	1	1	1	8	-	1	4	-	1	11
Other Fin. & Mon. Factors	1	1	-	2	5	6	1	2	2	1	9	13
Raw Material Shortages	-	1	2	1	4	4	1	2	2	-	9	8
Mach. & Equip. Shortages	-	-	-	-	2	2	-	1	-	-	2	3
Manpower Shortages	-	-	-	-	9	5	6	4	2	1	17	10
Labour Problems	1	1	1	1	6	7	1	2	2	1	11	12
Expected Sales in Canada	1	5	7	12	27	39	6	17	3	6	44	80
Expected Sales Abroad	1	3	8	12	24	29	8	7	6	10	47	61
Exp. Econ. Cond. in Canada	1	4	6	18	35	56	6	16	8	9	57	104
Exp. Econ. Cond Abroad	1	1	5	10	14	24	-	3	11	12	31	50
Other Factors	1	1	-	-	3	2	1	1	-	-	5	4
Sample Size	15	15	44	41	139	139	57	57	32	32	288	285

081 = Oct. 1981 Survey

A82 = April 1982 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1981-86
AS REPORTED IN CURRENT DOLLARS FOR THE APRIL 1982 SURVEY

(1981 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Food & Beverage	285.2	100.0	103.1	120.4	103.0	104.1	116.4
Forest Products	1,481.8	100.0	86.8	98.4	104.4	84.8	77.4
Primary Metals	1,205.8	100.0	86.9	110.4	99.4	78.5	83.4
Chemicals	713.6	100.0	140.9	204.8	206.5	105.6	75.7
Transportation Equip.	412.3	100.0	93.2	78.3	78.8	72.3	98.2
Other Manufacturing	819.9	100.0	106.1	133.4	136.1	138.4	152.7
<u>Total Manufacturing</u>	<u>4,918.6</u>	<u>100.0</u>	<u>99.4</u>	<u>122.2</u>	<u>121.0</u>	<u>95.3</u>	<u>95.1</u>
Mining Companies	1,694.7	100.0	118.9	126.2	117.3	120.4	111.0
Oil & Gas Companies	5,479.0	100.0	139.2	164.4	179.5	187.9	200.1
Oil & Gas Pipelines	1,478.7	100.0	157.0	105.1	124.6	97.9	52.7
Transp. & Storage	1,526.0	100.0	113.1	117.2	108.0	122.5	120.8
Communications	2,660.2	100.0	112.9	121.8	130.4	139.3	148.3
Electric Utilities	6,643.6	100.0	122.3	145.5	144.4	149.4	185.7
Trade, Finance and Other Commercial	761.9	100.0	104.0	119.7	126.8	134.7	126.0
<u>Total Non-Manufacturing</u>	<u>20,244.1</u>	<u>100.0</u>	<u>126.5</u>	<u>139.8</u>	<u>144.9</u>	<u>149.7</u>	<u>161.6</u>
<u>TOTAL</u>	<u>25,162.7</u>	<u>100.0</u>	<u>121.2</u>	<u>136.4</u>	<u>140.3</u>	<u>139.1</u>	<u>148.6</u>

* Only those firms which reported for the October 1981 and the April 1982 Surveys for the years 1981-86 (each and every year) are used in this table, namely 214 firms.

TABLE 17

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1981-86
AS REPORTED IN CURRENT DOLLARS FOR THE OCTOBER 1981 SURVEY

(1981 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Food & Beverage	294.4	100.0	106.6	113.5	98.2	91.2	109.8
Forest Products	1,437.7	100.0	99.8	97.6	94.1	72.1	71.2
Primary Metals	1,247.7	100.0	121.6	108.2	109.2	90.8	126.4
Chemicals	743.8	100.0	144.3	221.8	177.0	105.0	87.4
Transportation Equip.	492.6	100.0	84.7	74.2	60.4	57.1	83.1
Other Manufacturing	827.6	100.0	117.6	133.1	131.0	141.3	153.5
<u>Total Manufacturing</u>	<u>5,043.8</u>	<u>100.0</u>	<u>113.6</u>	<u>123.0</u>	<u>113.0</u>	<u>92.6</u>	<u>104.2</u>
Mining Companies	1,787.6	100.0	127.8	108.7	103.8	98.2	105.6
Oil & Gas Companies	6,022.1	100.0	142.2	159.6	166.7	178.6	188.2
Oil & Gas Pipelines	1,760.3	100.0	124.3	60.9	51.2	50.4	55.5
Transp. & Storage	1,617.7	100.0	111.4	114.7	109.3	118.5	116.1
Communications	2,731.9	100.0	115.4	124.5	130.4	138.1	148.8
Electric Utilities	6,846.6	100.0	114.3	141.4	141.4	136.0	188.5
Trade, Finance and Other Commercial	808.3	100.0	124.3	137.5	128.8	115.7	109.6
<u>Total Non-Manufacturing</u>	<u>21,574.5</u>	<u>100.0</u>	<u>124.3</u>	<u>132.9</u>	<u>133.7</u>	<u>136.0</u>	<u>157.3</u>
<u>TOTAL</u>	<u>26,618.3</u>	<u>100.0</u>	<u>122.3</u>	<u>131.0</u>	<u>129.8</u>	<u>127.7</u>	<u>147.2</u>

* Only those firms which reported for the October 1981 and the April 1982 Surveys for the years 1981-86 (each and every year) are used in this table, namely 214 firms.

TABLE 18
TYPES OF CHANGES IN PLANS
(Percent Distribution of Response)

<u>Type of Change</u>	<u>1981</u>	<u>1982</u>	<u>1983-86</u>
Abandoned Plans	6.6	6.5	4.4
Deferred Plans	21.3	26.8	14.8
Reduced Existing Plans	18.7	21.3	13.6
Expanded Existing Plans	4.9	8.8	10.7
Introduced New Plans	3.2	6.8	13.6
Brought Forward Plans from Future Years	2.0	2.3	0.9
Re-introduced Deferred Plans	0.9	4.2	11.7
No Change in Plans	42.4	22.9	29.3
Not Specified	-	0.5	0.9
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Number of Responses	347	385	317
Number of Companies	264	260	229

Note: Totals may not add due to rounding.

TABLE 19

REASONS FOR CHANGES IN PLANS

1981

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	4.4	9.7	0.7	14.8
Market Demand - Foreign	1.5	5.3	-	6.8
Capacity	0.9	1.3	-	2.2
Rate of Return	0.9	2.2	-	3.1
Financing - External	1.3	4.9	-	6.2
Financing - Internal	0.9	3.5	-	4.4
Costs - Labour	0.7	0.7	-	1.4
Costs - Other	0.2	1.3	-	1.5
Strikes	0.2	1.3	-	1.5
Government Regulations	0.9	4.2	-	5.1
Better Estimates	11.3	12.8	0.4	24.5
Carry-overs	2.2	7.7	0.2	10.1
Other Reasons	2.6	4.2	-	6.8
Not Specified	2.2	2.2	7.1	11.5
TOTAL	<u>30.2</u>	<u>61.4</u>	<u>8.4</u>	<u>100.0</u>
Number of Responses	137	278	38	453
Number of Companies	81	147	36	264

Note: Totals may not add due to rounding.

TABLE 20

REASONS FOR CHANGES IN PLANS

1982

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	3.7	14.6	0.5	18.8
Market Demand - Foreign	0.9	7.7	0.2	8.8
Capacity	1.5	1.5	-	3.0
Rate of Return	1.1	4.6	0.4	6.1
Financing - External	1.1	7.5	-	8.6
Financing - Internal	0.9	8.2	-	9.1
Costs - Labour	0.7	0.7	-	1.4
Costs - Other	0.4	1.1	-	1.5
Strikes	0.2	0.2	-	0.4
Government Regulations	2.0	4.9	-	6.9
Better Estimates	6.9	6.6	0.5	14.0
Carry-overs	3.5	3.5	0.2	7.2
Other Reasons	3.1	4.9	0.2	8.2
Not Specified	1.5	2.0	2.6	6.1
TOTAL	<u>27.4</u>	<u>68.0</u>	<u>4.6</u>	<u>100.0</u>
Number of Responses	150	372	25	547
Number of Companies	83	157	20	260

Note: Totals may not add due to rounding.

TABLE 21
REASONS FOR CHANGES IN PLANS

1983 - 1986

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revision</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	9.6	8.9	1.1	19.6
Market Demand - Foreign	5.0	3.9	-	8.9
Capacity	2.3	1.6	0.2	4.1
Rate of Return	1.8	3.7	0.7	6.2
Financing - External	2.5	4.1	0.2	6.8
Financing - Internal	2.7	2.5	-	5.2
Costs - Labour	1.6	0.5	-	2.1
Costs - Other	1.4	0.5	-	1.9
Strikes	.5	0.2	-	0.7
Government Regulations	1.4	3.9	0.2	5.5
Better Estimates	9.8	4.1	0.7	14.6
Carry-overs	3.7	1.6	0.7	6.0
Other Reasons	3.2	3.7	0.2	7.1
Not Specified	2.7	1.4	7.3	11.4
<u>TOTAL</u>	<u>48.2</u>	<u>40.4</u>	<u>11.4</u>	<u>100.0</u>
Number of Responses	211	177	50	438
Number of Companies	105	82	42	229

Note: Totals may not add due to rounding.

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	2.2	6.1	6.5	.4	-	.4	-	.4	-	15.8
Market Demand-Foreign	2.2	3.6	2.9	-	-	-	-	-	-	8.6
Capacity	.4	1.1	-	.7	-	-	-	-	-	2.2
Rate of Return	.4	1.4	1.8	-	-	-	-	-	-	3.6
Financing - External	1.4	3.6	1.8	.4	.4	-	.4	-	-	7.9
Financing - Internal	1.1	4.0	.7	-	-	-	-	-	-	5.8
Costs - Labour	-	.4	-	.4	-	-	-	.4	-	1.1
Costs - Other	.4	.4	.4	-	-	-	.4	.7	-	2.2
Strikes	-	1.1	.7	-	-	-	-	.4	-	2.2
Government Regulations	.7	2.9	2.2	-	.7	-	-	.4	-	6.8
Better Estimates	-	2.2	2.2	1.1	-	-	-	15.5	-	20.9
Carry-overs	-	4.3	6.5	-	-	-	-	1.8	-	12.6
Other Reasons	.4	2.9	1.1	-	-	-	-	2.5	-	6.8
Not Specified	-	.4	1.4	-	-	-	-	1.8	-	3.6
TOTAL	9.0	34.2	28.1	2.9	1.1	.4	.7	23.7	0.0	100.0

Number of Responses 278

Number of Companies 147

Note: Totals may not add due to rounding.

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1981

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	.7	2.9	1.5	4.4	2.2	1.5	.7	.7	-	14.6
Market Demand-Foreign	-	1.5	-	.7	.7	1.5	-	.7	-	5.1
Capacity	-	-	-	.7	-	1.5	-	.7	-	2.9
Rate of Return	.7	.7	-	.7	.7	-	-	-	-	2.9
Financing - External	.7	2.2	-	-	.7	-	-	.7	-	4.4
Financing - Internal	.7	.7	.7	.7	-	-	-	-	-	2.9
Costs - Labour	-	-	-	.7	-	-	-	1.5	-	2.2
Costs - Other	-	-	-	.7	-	-	-	.7	-	0.7
Strikes	-	-	-	-	-	-	-	.7	-	0.7
Government Regulations	-	1.5	.7	.7	-	-	-	-	-	2.9
Better Estimates	.7	.7	1.5	2.2	2.2	.7	.7	28.5	-	37.2
Carry-overs	-	.7	.7	2.2	-	-	.7	2.9	-	7.3
Other Reasons	2.2	-	.7	-	2.9	.7	-	2.2	-	8.8
Not Specified	-	-	-	-	-	-	-	7.3	-	7.3
TOTAL	5.8	10.9	5.8	13.1	9.5	5.8	2.2	46.7	0.0	100.0

Number of Responses 137

Number of Companies 81

Note: Totals may not add due to rounding.

TABLE 24

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1982

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	2.4	9.9	7.8	-	.3	.5	.3	.3	-	21.5
Market Demand-Foreign	1.3	6.2	3.0	-	.5	.3	-	-	-	11.3
Capacity	.3	.3	1.1	-	-	-	.5	-	-	2.2
Rate of Return	.8	2.4	2.4	.5	.3	.3	-	-	-	6.7
Financing - External	1.3	5.9	2.7	.3	.3	-	.5	-	-	11.0
Financing - Internal	1.6	6.2	3.5	-	-	-	.3	.3	.3	12.1
Costs - Labour	.3	.5	.3	-	-	-	-	-	-	1.1
Costs - Other	.3	.3	.5	.5	-	-	-	-	-	1.6
Strikes	-	.3	-	-	-	-	-	-	-	0.3
Government Regulations	.3	3.2	2.4	.3	.8	-	-	.3	-	7.3
Better Estimates	-	1.1	1.6	.3	.8	-	.5	5.4	-	9.7
Carry-overs	-	1.3	3.0	.3	-	-	.3	.3	-	5.1
Other Reasons	.8	2.4	1.6	-	.5	-	-	1.6	.3	7.3
Not Specified	-	.3	.8	-	-	-	-	1.9	-	3.0
TOTAL	9.4	40.3	30.6	2.2	3.5	1.1	2.4	9.9	.6	100.0

Number of Responses 372

Number of Companies 157

Note: Totals may not add due to rounding.

TABLE 25

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1982

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	.7	1.3	3.3	1.3	3.3	.7	.7	2.0	-	13.3
Market Demand-Foreign	-	1.3	.7	-	.7	-	.7	-	-	3.3
Capacity	-	-	1.3	2.0	1.3	-	.7	-	-	5.3
Rate of Return	-	.7	-	-	1.3	1.3	.7	-	-	4.0
Financing - External	.7	.7	-	1.3	.7	-	.7	-	-	4.0
Financing - Internal	1.3	.7	-	.7	.7	-	-	-	-	3.3
Costs - Labour	-	-	-	.7	.7	-	.7	.7	-	2.7
Costs - Other	-	-	-	-	-	.7	-	.7	-	1.3
Strikes	-	-	-	-	-	-	.7	-	-	0.7
Government Regulations	-	1.3	2.0	.7	.7	-	1.3	1.3	-	7.3
Better Estimates	-	-	-	4.0	.7	.7	.7	19.3	-	25.3
Carry-overs	-	.7	1.3	8.7	-	.7	-	1.3	-	12.7
Other Reasons	-	2.7	-	2.0	3.3	1.3	.7	1.3	-	11.3
Not Specified	-	.7	-	.7	-	-	.7	3.3	-	5.3
TOTAL	2.7	10.0	8.7	22.0	13.3	5.3	8.0	30.0	0.0	100.0

Number of Responses 150

Number of Companies 83

Note: Totals may not add due to rounding.

TABLE 26

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1983 - 1986

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	4.0	7.3	6.8	-	.6	.6	1.7	1.1	-	22.0
Market Demand-Foreign	1.7	5.1	1.7	-	-	-	.6	.6	-	9.6
Capacity	-	.6	.6	-	1.1	.6	.6	.6	-	4.0
Rate of Return	1.1	2.8	4.0	.6	-	-	-	.6	-	9.0
Financing - External	1.1	4.0	3.4	.6	.6	-	-	.6	-	10.2
Financing - Internal	1.1	3.4	1.1	-	-	-	-	.6	-	6.2
Costs - Labour	-	-	.6	-	.6	-	-	-	-	1.1
Costs - Other	-	-	-	-	.6	-	-	.6	-	1.1
Strikes	-	-	-	-	-	-	-	-	-	0.6
Government Regulations	.6	4.5	3.4	.6	.6	-	-	-	-	9.6
Better Estimates	.6	.6	1.7	1.1	1.1	-	-	5.1	-	10.2
Carry-overs	-	.6	1.1	.6	.6	-	1.1	-	-	4.0
Other Reasons	.6	2.8	1.7	-	1.7	-	.6	1.1	.6	9.0
Not Specified	-	-	.6	-	-	-	-	2.8	-	3.4
TOTAL	10.7	32.2	26.6	3.4	7.3	1.1	4.5	13.6	.6	100.0

Number of Responses 177

Number of Companies 82

Note: Totals may not add due to rounding.

TABLE 27

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1983 - 1986

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	2.4	2.4	3.3	4.7	.5	5.7	.9	-	19.9
Market Demand-Foreign	-	.5	.9	1.4	3.3	.5	3.8	-	-	10.4
Capacity	-	-	-	2.4	.9	-	1.4	-	-	4.7
Rate of Return	.5	-	-	1.4	1.4	.5	-	-	-	3.8
Financing - External	.5	.9	-	-	1.9	-	1.9	-	-	5.2
Financing - Internal	-	.5	-	-	1.4	-	2.8	-	.9	5.7
Costs - Labour	-	-	-	.9	1.4	-	.5	.5	-	3.3
Costs - Other	-	-	-	.9	.5	-	.5	.9	-	2.8
Strikes	-	.5	-	-	-	-	.5	-	-	0.9
Government Regulations	.5	-	-	.5	.9	-	.9	-	-	2.8
Better Estimates	-	.5	.5	2.4	2.8	-	.9	13.3	-	20.4
Carry-overs	-	.5	.9	3.3	-	-	1.4	1.4	-	7.6
Other Reasons	-	.9	-	1.9	2.8	-	-	.9	-	6.6
Not Specified	-	-	-	.5	-	-	1.4	3.8	-	5.7
TOTAL	1.4	6.6	4.7	19.0	22.3	1.4	21.8	21.8	0.9	100.0

Number of Responses 211

Number of Companies 105

Note: Totals may not add due to rounding.

TABLE 28

TOTAL CAPITAL EXPENDITURES BY PURPOSE

	<u>Number of Reporting Companies</u>	<u>1981</u>	<u>1982</u>
		(\$ Millions)	
Research and Development	80	203.3	397.4
Pollution Abatement	99	411.5	466.5
Working Environment	87	177.2	195.8
Expansion of Facilities - Existing Sites	175	10,383.7	11,329.9
Upgrading & Replacement of Existing Facilities	206	4,300.8	4,693.0
Expansion of Facilities - New Sites	101	6,201.7	7,866.4
Other	78	2,703.0	2,713.3
<u>TOTAL</u>	<u>248*</u>	<u>24,381.2</u>	<u>27,662.3</u>

Note: Actual 1981 and revised intentions 1982.

* As one company may allocate its investment expenditures to various purpose categories, this number is not the sum of the column.

TABLE 29

TOTAL CAPITAL EXPENDITURES BY PURPOSE

(Percent Distribution* of Total)

	<u>Manufacturing</u>		Non- <u>Manufacturing</u>		<u>Total</u>	
	<u>1981</u>	<u>1982</u>	<u>1981</u>	<u>1982</u>	<u>1981</u>	<u>1982</u>
Research and Development	1.4	2.3	.6	1.2	.8	1.4
Pollution Abatement	4.2	5.2	.7	.8	1.7	1.7
Working Environment	1.3	1.4	.5	.5	.7	.7
Expansion of Facilities - Existing Sites	36.5	30.6	44.8	43.6	42.6	41.0
Upgrading & Replacement of Existing Facilities	33.8	37.4	11.6	11.8	17.6	17.0
Expansion of Facilities - New Sites	13.7	13.0	29.8	32.4	25.4	28.4
Other	9.0	10.1	11.9	9.7	11.1	9.8
<u>TOTAL</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

* Percentages may not add to 100% due to rounding.

TABLE 30

CAPITAL EXPENDITURES BY PURPOSE

1982/1981

(Year-to-Year Percent Change in Level of Spending)

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Total</u>
Research and Development	41.8	137.6	95.4
Pollution Abatement	4.9	31.0	13.3
Working Environment	-7.5	26.7	10.4
Expansion of Facilities - Existing Sites	-29.0	20.6	9.1
Upgrading & Replacement of Existing Facilities	-6.4	25.8	9.1
Expansion of Facilities - New Sites	-19.9	34.8	26.8
Other	-5.3	1.9	.3
	<hr/>	<hr/>	<hr/>
<u>TOTAL*</u>	<u>-15.3</u>	<u>24.1</u>	<u>13.4</u>

* The year-to-year changes in total investment here are different from those reported in Table 2. This is due to differences in coverage.

TABLE 31

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

ATLANTIC REGION

(Current \$ Millions)

	1981	1982	Year-to-Year Percentage Change 1982/1981	Between Survey Revisions (%)	
				1981	1982
Manufacturing	462 (7,866)	548 (7,271)	18.6 (-7.6)	-10.9 (-2.3)	-3.8 (-18.1)
Non-Manufacturing	1,290 (22,683)	2,073 (28,446)	60.6 (25.4)	-14.8 (-6.2)	5.3 (-5.6)
<u>TOTAL</u>	1,752 (30,549)	2,621 (35,717)	49.5 (16.9)	-13.8 (-5.2)	3.2 (-8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both the October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change	Between Survey Revisions	
		1981	1982
	1982/1981 (%)	(%)	
<u>Foreign Majority Owned</u>			
Manufacturing	-18.7 (-13.6)	-12.2 (-2.9)	-5.3 (-14.8)
Non-Manufacturing	66.7 (28.0)	-12.8 (-6.9)	-10.5 (-10.6)
<u>TOTAL</u>	33.7 (11.9)	-12.6 (-5.4)	-9.3 (-11.9)
<u>Domestic Majority Owned</u>			
Manufacturing	51.9 (-2.6)	-9.7 (-1.9)	-3.1 (-20.4)
Non-Manufacturing	58.3 (24.5)	-15.5 (-6.0)	12.9 (-3.7)
<u>TOTAL</u>	57.0 (19.0)	-14.3 (-5.2)	9.3 (-6.9)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 33

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1982/1981</u> (%)	<u>1981</u> (%)	<u>1982</u> (%)
<u>Total Government Majority Owned</u>	56.1 (26.4)	-21.2 (-4.6)	5.7 (-1.1)
<u>Total Private Majority Owned</u>	45.4 (12.6)	-8.3 (-5.5)	1.6 (-11.7)
Manufacturing	9.9 (-9.4)	-8.4 (-2.1)	-3.2 (-17.6)
Non-Manufacturing	71.2 (24.5)	-8.2 (-7.3)	4.0 (-9.1)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 34

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE ATLANTIC REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	46.6 (49.6)	26.6 (19.6)	26.6 (30.8)	71.4 (70.0)	28.5 (18.7)	- (11.2)
Export Sales	44.4 (38.9)	44.4 (25.6)	11.1 (35.3)	62.5 (53.9)	25.0 (30.1)	12.5 (15.8)
Profits	46.6 (30.1)	6.6 (13.4)	46.6 (56.3)	50.0 (60.4)	28.5 (24.6)	21.4 (14.8)
Corporate Employment in Canada	13.3 (20.6)	46.6 (41.2)	40.0 (38.1)	28.5 (34.2)	64.2 (52.8)	7.1 (12.9)
Corporate Financial Conditions	13.3 (15.7)	40.0 (33.6)	46.6 (50.6)	35.7 (38.2)	50.0 (44.1)	14.2 (17.6)
Canadian Business Conditions	- (7.3)	38.4 (17.8)	61.5 (74.7)	25.0 (43.9)	66.6 (33.8)	8.3 (22.1)
Foreign Investment Climate	50.0 (30.3)	25.0 (42.2)	25.0 (27.4)	100.0 (34.6)	- (50.0)	- (15.3)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 15 firms in the Survey panel with headquarters in the Atlantic Region.

TABLE 35

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

QUEBEC REGION

(Current \$ Millions)

	Year-to-Year Percentage Change		Between Survey Revisions (%)	
	1981	1982	1981	1982
Manufacturing	1,116 (7,866)	1,131 (7,271)	0.1 (-2.3)	-4.0 (-18.1)
Non-Manufacturing	3,792 (22,683)	4,228 (28,446)	-5.7 (-6.2)	-5.4 (-5.6)
<u>TOTAL</u>	4,958 (30,549)	5,359 (35,717)	-4.4 (-5.2)	-5.1 (-8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both the October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 36

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change	Between Survey Revisions			
	1982/1981 (%)	1981 (%)		1982 (%)	
<u>Foreign Majority Owned</u>					
Manufacturing	46.0 (-13.6)	-8.5	(-2.9)	8.4	(-14.8)
Non-Manufacturing	27.6 (28.0)	-23.7	(-6.9)	-28.6	(-10.6)
<u>TOTAL</u>	37.2 (11.9)	-16.5	(-5.4)	-12.0	(-11.9)
<u>Domestic Majority Owned</u>					
Manufacturing	-18.6 (-2.6)	3.2	(-1.9)	-9.8	(-20.4)
Non-Manufacturing	10.3 (24.5)	-4.0	(-6.0)	-2.7	(-3.7)
<u>TOTAL</u>	4.5 (19.0)	-2.7	(-5.2)	-3.9	(-6.9)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 37

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change	Between Survey Revisions			
	1982/1981 (%)	1981 (%)		1982	
Total Government Majority Owned	6.3 (26.4)	-3.8	(-4.6)	-2.4	(-1.1)
Total Private Majority Owned	10.4 (12.6)	-5.3	(-5.5)	-8.5	(-11.7)
Manufacturing	-1.4 (-9.4)	0.5	(-2.1)	-5.5	(-17.6)
Non-Manufacturing	21.8 (24.5)	-10.2	(-7.3)	-10.7	(-9.1)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 38

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE QUEBEC REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	44.7 (49.6)	31.5 (19.6)	23.6 (30.8)	60.5 (70.0)	23.6 (18.7)	15.7 (11.2)
Export Sales	40.0 (38.9)	26.6 (25.6)	33.3 (35.3)	53.3 (53.9)	26.6 (30.1)	20.0 (15.8)
Profits	17.9 (30.1)	17.9 (13.4)	64.1 (56.3)	41.0 (60.4)	28.2 (24.6)	30.7 (14.8)
Corporate Employment in Canada	17.5 (20.6)	40.0 (41.2)	42.5 (38.1)	25.0 (34.2)	52.5 (52.8)	22.5 (12.9)
Corporate Financial Conditions	8.1 (15.7)	54.0 (33.6)	37.8 (50.6)	21.6 (38.2)	48.6 (44.1)	29.7 (17.6)
Canadian Business Conditions	5.2 (7.3)	21.0 (17.8)	73.6 (74.7)	42.1 (43.9)	28.9 (33.8)	28.9 (22.1)
Foreign Investment Climate	20.8 (30.3)	50.0 (42.2)	29.1 (27.4)	16.6 (34.6)	66.6 (50.0)	16.6 (15.3)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 41 firms in the Survey panel with headquarters in Quebec Region.

TABLE 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

ONTARIO REGION

(Current \$ Millions)

	1981	1982	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1981	1982
Manufacturing	3,633 (7,866)	3,092 (7,271)	-15.0 (-7.6)	-3.3 (-2.3)	-21.8 (-18.1)
Non-Manufacturing	4,783 (22,683)	6,340 (28,446)	32.5 (25.4)	-3.8 (-6.2)	-0.5 (-5.6)
TOTAL	8,416 (30,549)	9,432 (35,717)	12.0 (16.9)	-3.6 (-5.2)	-8.6 (-8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both the October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 40

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1982/1981</u> (%)	<u>1981</u>	<u>1982</u> (%)
<u>Foreign Majority Owned</u>			
Manufacturing	-25.4 (-13.6)	-5.8 (-2.9)	-14.7 (-14.8)
Non-Manufacturing	67.0 (28.0)	-12.1 (-6.9)	-4.6 (-10.6)
<u>TOTAL</u>	-3.2 (11.9)	-7.4 (-5.4)	-10.8 (-11.9)
<u>Domestic Majority Owned</u>			
Manufacturing	-4.4 (-2.6)	-0.7 (-1.9)	-26.5 (-20.4)
Non-Manufacturing	27.8 (24.5)	-2.6 (-6.0)	0.3 (-3.7)
<u>TOTAL</u>	18.1 (19.0)	-2.0 (-5.2)	-7.9 (-6.9)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 41

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1982/1981</u> (%)	<u>1981</u> (%)	<u>1982</u> (%)
<u>Total Government Majority Owned</u>	28.8 (26.4)	0.9 (-4.6)	2.1 (-1.1)
<u>Total Private Majority Owned</u>	4.9 (12.6)	-5.4 (-5.5)	-13.4 (-11.7)
Manufacturing	-18.5 (-9.4)	-3.4 (-2.1)	-19.9 (-17.6)
Non-Manufacturing	35.7 (24.5)	-7.9 (-7.3)	-7.4 (-9.1)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 42
EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN ONTARIO REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	50.0 (49.6)	17.5 (19.6)	32.5 (30.8)	72.4 (70.0)	16.3 (18.7)	11.2 (11.2)
Export Sales	41.3 (38.9)	26.0 (25.6)	32.6 (35.3)	50.5 (53.9)	36.2 (30.1)	13.1 (15.8)
Profits	36.7 (30.1)	14.5 (13.4)	48.7 (56.3)	67.5 (60.4)	21.0 (24.6)	11.4 (14.8)
Corporate Employment in Canada	20.6 (20.6)	42.9 (41.2)	36.3 (38.1)	31.3 (34.2)	52.5 (52.8)	16.1 (12.9)
Corporate Financial Conditions	21.0 (15.7)	32.7 (33.6)	46.2 (50.6)	39.1 (38.2)	46.9 (44.1)	13.9 (17.6)
Canadian Business Conditions	11.0 (7.3)	16.9 (17.8)	72.0 (74.7)	45.6 (43.9)	30.1 (33.8)	24.1 (22.1)
Foreign Investment Climate	33.8 (30.3)	46.1 (42.2)	20.0 (27.4)	38.0 (34.6)	44.4 (50.0)	17.4 (15.3)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 139 firms in the Survey panel with headquarters in Ontario Region.

TABLE 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

PRAIRIE REGION

(Current \$ Millions)

	1981	1982	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1981	1982
Manufacturing	962 (7,866)	1,145 (7,271)	19.0 (-7.6)	-1.6 (-2.3)	-13.8 (-18.1)
Non-Manufacturing	7,484 (22,683)	9,117 (28,446)	21.8 (25.4)	-7.3 (-6.2)	-10.6 (- 5.6)
<u>TOTAL</u>	8,446 (30,549)	10,262 (35,717)	21.4 (16.9)	-6.7 (-5.2)	-11.0 (- 8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

MANITOBA & SASKATCHEWAN

(Current \$ Millions)

	1981	1982	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1981	1982
Manufacturing	104	(7,866)	77 (7,271)	-1.2 (-2.3)	-41.8 (-18.1)
Non-Manufacturing	1,782	(22,683)	2,028 (28,446)	-4.9 (-6.2)	-10.6 (-5.6)
<u>TOTAL</u>	1,886	(30,549)	2,105 (35,717)	-4.7 (-5.2)	-12.4 (-8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

ALBERTA

(Current \$ Millions)

	1981	1982	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1981	1982
Manufacturing	775 (7,866)	977 (7,271)	26.1 (-7.6)	0.9 (-2.3)	-7.8 (-18.1)
Non-Manufacturing	5,496 (22,683)	6,825 (28,446)	24.1 (25.4)	-6.3 (-6.2)	-9.4 (-5.6)
<u>TOTAL</u>	6,271 (30,549)	7,802 (35,717)	24.4 (16.9)	-5.5 (-5.2)	-9.2 (-8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 46

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>			
		<u>1982/1981</u>	<u>1981</u>	<u>1982</u>	
		(%)	(%)		
<u>Foreign Majority Owned</u>					
Manufacturing	-5.7 (-13.6)	8.2	(-2.9)	-17.8	(-14.8)
Non-Manufacturing	25.4 (28.0)	-7.5	(-6.9)	-11.4	(-10.6)
<u>TOTAL</u>	21.4 (11.9)	-5.7	(-5.4)	-12.1	(-11.9)
<u>Domestic Majority Owned</u>					
Manufacturing	41.7 (-2.6)	-9.1	(-1.9)	-11.2	(-20.4)
Non-Manufacturing	19.2 (24.5)	-7.2	(-6.0)	-10.1	(-3.7)
<u>TOTAL</u>	21.5 (19.0)	-7.4	(-5.2)	-10.2	(-6.9)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 47

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1982/1981</u> (%)	<u>1981</u> (%)	<u>1982</u> (%)
<u>Total Government Majority Owned</u>	39.6 (26.4)	-7.4 (-4.6)	-2.5 (-1.1)
<u>Total Private Majority Owned</u>	16.4 (12.6)	-6.5 (-5.5)	-13.5 (-11.7)
Manufacturing	18.7 (-9.4)	-1.8 (-2.1)	-14.1 (-17.6)
Non-Manufacturing	16.0 (24.5)	-7.2 (-7.3)	-13.4 (-9.1)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 48

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
		<u>1981</u>	<u>1982</u>
	<u>1982/1981</u> (%)	(%)	(%)
<u>Foreign Majority Owned</u>			
Manufacturing	-4.6 (-13.6)	10.9 (-2.9)	-12.3 (-14.8)
Non-Manufacturing	27.6 (28.0)	-7.3 (-6.9)	-10.9 (-10.6)
<u>TOTAL</u>	23.6 (11.9)	-5.4 (-5.4)	-11.1 (-11.9)
<u>Domestic Majority Owned</u>			
Manufacturing	59.9 (-2.6)	-8.1 (-1.9)	-4.6 (-20.4)
Non-Manufacturing	20.4 (24.5)	-5.2 (-6.0)	-7.7 (-3.7)
<u>TOTAL</u>	25.2 (19.0)	-5.6 (-5.2)	-7.2 (-6.9)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 49

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Percent Change	Between Survey Revisions		
		1981	1982	
	1982/1981 (%)		(%)	
<u>Total Government Majority Owned</u>	44.4 (26.4)	-10.6 (-4.6)	0.4 (-1.1)	
<u>Total Private Majority Owned</u>	21.2 (12.6)	-4.6 (-5.5)	-10.8 (-11.7)	
Manufacturing	26.1 (-9.4)	0.9 (2.1)	-7.8 (-17.6)	
Non-Manufacturing	20.4 (24.5)	-5.5 (-7.3)	-11.4 (-9.1)	

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 50

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE PRAIRIE REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	61.7 (49.6)	14.8 (19.6)	23.4 (30.8)	68.1 (70.0)	20.4 (18.7)	11.3 (11.2)
Export Sales	38.2 (38.9)	23.5 (25.6)	38.2 (35.3)	44.1 (53.9)	35.2 (30.1)	20.5 (15.8)
Profits	29.1 (30.1)	14.5 (13.4)	56.2 (56.3)	45.6 (60.4)	41.3 (24.6)	13.0 (14.8)
Corporate Employment in Canada	25.0 (20.6)	54.1 (41.2)	20.8 (38.1)	32.6 (34.2)	60.8 (52.8)	6.5 (12.9)
Corporate Financial Conditions	11.3 (15.7)	38.6 (33.6)	50.0 (50.6)	18.6 (38.2)	58.1 (44.1)	23.2 (17.6)
Canadian Business Conditions	4.4 (7.3)	20.0 (17.8)	75.5 (74.7)	25.0 (43.9)	47.7 (33.8)	27.2 (22.1)
Foreign Investment Climate	35.7 (30.3)	32.1 (42.2)	32.1 (27.4)	32.1 (34.6)	53.5 (50.0)	14.2 (15.3)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 57 firms in the Survey panel with headquarters in the Prairie Region.

TABLE 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1982

B.C. AND NORTHERN REGION

(Current \$ Millions)

	1981	1982	Year-to-Year Percentage Change	Between Survey Revisions (%)	
				1981	1982
Manufacturing	1,110	(7,866)	779 (7,271)	1.6 (-2.3)	-28.9 (-18.1)
Non-Manufacturing	3,051	(22,683)	4,142 (28,446)	-0.1 (-6.2)	-4.2 (-5.6)
<u>TOTAL</u>	4,161	(30,549)	4,921 (35,717)	0.3 (-5.2)	-9.2 (-8.4)

Note: Actual 1981 and revised intentions 1982.

These are dollar amounts reported for the years 1981-82 from the April 1982 Survey by firms who reported in both October 1981 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 52

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change	Between Survey Revisions	
	1982/1981 (%)	1981 (%)	1982 (%)
<u>Foreign Majority Owned</u>			
Manufacturing	-46.0 (-13.6)	14.7 (-2.9)	-23.6 (-14.8)
Non-Manufacturing	15.5 (28.0)	2.1 (-6.9)	7.4 (-10.6)
<u>TOTAL</u>	2.3 (11.9)	4.6 (-5.4)	2.6 (-11.9)
<u>Domestic Majority Owned</u>			
Manufacturing	-23.9 (-2.6)	-2.6 (-1.9)	-30.2 (-20.4)
Non-Manufacturing	47.3 (24.5)	-1.3 (-6.0)	-8.7 (-3.7)
TOTAL	26.4 (19.0)	-1.7 (-5.2)	-13.4 (-6.9)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 53

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change	Between Survey Revisions			
		1981		1982	
	1982/1981 (%)		(%)		(%)
<u>Total Government Majority Owned</u>	63.5 (26.4)	-1.9	(-4.6)	-4.2	(-1.1)
<u>Total Private Majority Owned</u>	5.2 (12.6)	1.0	(-5.5)	-11.3	(-11.7)
Manufacturing	-29.9 (-9.4)	1.6	(-2.1)	-28.9	(-17.6)
Non-Manufacturing	23.6 (24.5)	0.7	(-7.3)	-4.3	(-9.1)

Note: Actual 1981 and revised intentions 1982.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 54

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE B.C. AND NORTHERN REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	34.4 (49.6)	17.2 (19.6)	48.2 (30.8)	74.0 (70.0)	14.8 (18.7)	11.1 (11.2)
Export Sales	27.5 (38.9)	20.6 (25.6)	51.7 (35.3)	76.0 (53.9)	8.0 (30.1)	16.0 (15.8)
Profits	15.6 (30.1)	6.2 (13.4)	78.1 (56.3)	86.2 (60.4)	6.8 (24.6)	6.8 (14.8)
Corporate Employment in Canada	21.8 (20.6)	15.6 (41.2)	62.5 (38.1)	62.0 (34.2)	37.9 (52.8)	- (12.9)
Corporate Financial Conditions	12.9 (15.7)	3.2 (33.6)	83.8 (50.6)	85.7 (38.2)	3.5 (44.1)	10.7 (17.6)
Canadian Business Conditions	3.2 (7.3)	6.4 (17.8)	90.3 (74.7)	75.0 (43.9)	21.4 (33.8)	3.5 (22.1)
Foreign Investment Climate	14.2 (30.3)	35.7 (42.2)	50.0 (27.4)	41.6 (34.6)	50.0 (50.0)	8.3 (15.3)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 32 firms in the Survey panel with headquarters in the B.C. and Northern Region.

APPENDIX

Survey of Business Capital Investment -
Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data to avoid the variation in the number of firms reporting in each year and in different surveys. Matching allows one to make consistent comparisons, since only the data for those companies which have reported in the last two surveys for specified years, e.g., 1981 and 1982, are used. This is referred to as a 2 survey - 2 year matched panel.

The above system of matching is applied separately for each of the investment categories specified on a regional table. Hence it is clear that the regional totals obtained on a matched sample basis will not necessarily add to the matched Canada total.

2) The problem of companies in the Survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	<u>1981</u>	<u>1982</u>
	(Current \$ Billions)	
Totals as per Table 1	30.55	35.72
Amounts reported by region		
Atlantic	1.75	2.62
Quebec	4.96	5.36
Ontario	8.42	9.43
Prairies	8.45	10.26
B.C. & Northern Region	4.16	4.92
Unallocated Region*	<u>1.58</u>	<u>1.36</u>
TOTAL	<u>29.32</u>	<u>33.95</u>
Difference between totals	1.23	1.77
Portion of difference explained by "matching"	.77	1.24
Portion of difference explained by non-response	.46	.53

Note: Actual 1981 and revised intentions 1982.

* Includes investment which was not specifically allocated to a particular region because it was uncertain which province or region it would take place in and expenditures on movable machinery and equipment which are not allocated to a specific region, i.e., rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than on an establishment basis would definitely affect the sectoral breakdown of both the regional and Canada distribution, i.e., whether outlays were categorized as coming under manufacturing, resource industries, etc. Therefore, the IT&C sectoral coverage cannot be properly related to the Statistics Canada Private and Public Investment in Canada Survey (PPI) because investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's main line of business.

4) The following table provides a breakdown of the number of companies reporting to the IT&C Survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the Survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>CANADA</u>
Mfg.	44	85	116	73	62	154
Non-Mfg.	43	49	62	85	64	130
TOTAL	87	134	178	158	126	284

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REPORT OF THE
IT&C/REE CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN OCTOBER 1982

December, 1982
Capital Expenditures Group
Statistical and Data Base Services
Department of Industry, Trade & Commerce/
Regional Economic Expansion
Ottawa

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We are grateful to the many business executives who entrusted their forward plans to us and who took the time to discuss relevant matters with us, thereby making the IT&C/REE Capital Investment Intentions Survey possible.

Our appreciation is also extended to those officials of the Bank of Canada; the Federal Departments of Energy, Mines and Resources and Finance; the Industry Department of the Province of Manitoba; and the Industry and Policy Planning branches and the Regional Offices of the Department of Industry, Trade and Commerce/Regional Economic Expansion; who assisted us with the Survey.

Mr. A. Skahen, Analyst, Surveys and Analysis Group, will be pleased to answer any questions which arise from this report.

Nancy Chinfen,
A/Director,
Statistical and Data Base Services,
Department of Industry, Trade
and Commerce/Regional Economic
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PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce/Regional Economic Expansion covering some 280 large corporations which was carried out in October and November 1982. The survey does not include smaller firms, nor investments in housing, agriculture or fishing. Direct government outlays are also excluded.

The data provided in this report should only be regarded as the investment intentions at a given point in time, of a panel of large firms; thus the data do not provide the investment picture for the economy as a whole. Nevertheless, the data presented here are useful as an indication of those changes that have occurred in planned outlays since the previous survey, and as an indication of the factors which have caused these changes. The survey results also provide a breakout of investment intentions at a fairly disaggregated level.

EXECUTIVE SUMMARY

The Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce/Regional Economic Expansion conducted in October and November 1982 covers 280 large corporations and provides a reading on business capital spending for 1983. Several highlights from the current report are given below.

- i) The Survey suggests that business capital investment in 1983 will continue to decline.
- ii) The Survey results, after adjustments, suggest that the level of business spending in the total economy in 1983 will increase by 2-4 percent in current dollar terms and that in real terms spending for 1983 may be down in the range of 6-8 percent. This compares with an estimated decrease of 10-12 percent for 1982 and increase of 6.4 percent for 1981, 7.4 percent in 1980 and 12.4 percent in 1979 as most recently reported in the National Accounts.
- iii) The proportion of capital spending intended for 1983 directed to research and development remains unchanged from the 1.2 percent indicated for 1982.
- iv) Compared to a similar Survey conducted in April 1982 this recent Survey shows a 19 percent reduction in the level of investment plans for the 1984-1986 period. Companies presently indicate a total of about \$86 billion (current dollars) in investment plans for the medium term.

- v) On a regional basis, all regions record declines for 1983. Quebec, British Columbia and Ontario show the larger year-to-year decreases.
- vi) The spending of domestic majority-owned firms on new plant and equipment in 1983 is anticipated to decrease by 4 percent compared with an increase of 16 percent for the spending of foreign-owned firms.
- vii) Private firms show a 0.6 percent decrease in capital spending plans for 1983 as compared with a 6 percent advance shown by public companies.
- viii) A total of about \$18 billion in capital investments that was not included by the large companies in their spending plans was, nevertheless, thought to hold potential for introduction over the medium term.
- ix) Two-thirds of the survey panel reported that their profit level in 1982 was lower than 1981 levels. About half of the reporting companies expect some improvements in profits in 1983.
- x) Factors mentioned most often as affecting outlays were expected economic conditions in Canada, cost of funds, expected cash flow, government policies and expected sales.

HIGHLIGHTS OF THE OCTOBER 1982 SURVEY

HIGHLIGHTS OF THE OCTOBER 1982 SURVEY

The Aggregate Picture

The October 1982 Survey* provides an indication of planned investment for 1983 based on conditions at the time of the survey. The Survey results indicate that the 1983 investment plans of Canada's largest firms have softened considerably since the Spring of 1982.

Last April the approximately 280 large firms who responded to our Survey expected that their capital spending in 1983 would increase by about 11 percent in current dollars over 1982 levels (unless otherwise stated dollar amounts and percentage changes in this report are in or based on current dollars). These same firms now indicate an increase in 1983 of 2 percent.

The Survey does not cover investments in housing, agriculture and direct government outlays. Since spending patterns of large corporations differ from those of smaller companies and industry sectors not covered by the Survey, the results cannot be extended directly to the economy as a whole. Some adjustment and estimation of investment plans of the firms not included in the Survey is thus required.

It should also be noted that while the Survey was conducted mainly during the month of October 1982, the results presented here include some returns received as late as November 23, 1982.

* See appendix for details on the nature and coverage of the Survey.

The Survey results suggest that business capital investment in 1983 will continue to decline but at a reduced rate as compared with the decline experienced in 1982. These declines follow three years of exceptional strength in business capital spending activities (1979 to 1981) when real business spending (excluding housing) on new plant and equipment increased by 25 percent over the three years (on a National Accounts basis) while real Gross National Product grew by 6.5 percent. Excess capacity currently exists in the Canadian economy and helps to explain why the Survey results indicate weak investment spending. In addition, poor profit performance and weak demand have also contributed to the weakness in business investment outlays.

After taking into account some of the factors noted above, the results from the October 1982 Survey suggest that actual or realized business spending in real terms by all business on new plant and equipment (excluding housing) for 1983 may decline in the range of 6-8 percent in 1983. This compares with an estimated decline of 10-12 percent for 1982 and real increases of 6.4 percent for 1981, 7.4 percent for 1980 and 12.4 percent for 1979, as reported in the National Accounts.

The responding companies indicated that their level of spending on new plant and equipment in 1983 would be over \$31 billion in current dollars, an increase of about \$0.6 billion over 1982. Increases by oil and gas companies, electric utilities, trade, finance and other commercial and transportation equipment companies more than offset the year-to-year reductions reported by forest products companies, oil and gas pipelines and communication companies (Table 1).

Outlook for Manufacturing

Capital spending by reporting manufacturing corporations on new plant and equipment for 1983 is expected to be about \$5.6 billion

in current dollars, a 3 percent drop from the revised 1982 level of spending. This current level of spending represents a drastic reduction from that expected for 1983 in the April 1982 Survey when an 11 percent advance was expected. This reduced expectation reflects the adjustments made by the forest products, primary metals and chemical companies.

The transportation equipment and food and beverage industries show relatively strong spending plans for 1983. Spending plans of transportation equipment companies are expected to advance by 35 percent while those of the food and beverages companies are increasing some 40 percent (Table 1 and 2).

During 1983, the manufacturing companies in the Survey panel expect to operate at 78 percent capacity, up from 76 percent in 1982, which was down from the 84 percent rate experienced in 1981.

Outlook for Non-Manufacturing

The spending plans of respondents in the non-manufacturing sector for 1983 are expected to be about \$25.7 billion in current dollars, an increase of about 3 percent over the revised 1982 spending level. Notable strength is apparent in the trade, finance and other commercial industry. Oil and gas companies, as well as utilities show advances. Spending plans of oil and gas pipelines, communication and mining companies for 1983 all show anticipated decreases (Table 1 and Table 2).

Cost of Capital Goods

The average cost adjustment factor or inflation rate used by the large firms in their capital budgets for 1983 was about 10.5 percent over the cost level for 1982; this represents a decrease from

the 11 percent used for 1982. The expected cost adjustment factors range from 9.5 percent for 1983 for companies headquartered in Ontario to a 11.2 percent for companies headquartered in the B.C. and Northern Region (Table 6).

On an industry basis, the average cost factors are provided in Table 7. It is noted that chemical and food and beverages companies are expecting larger cost increases in the 1983-1986 period than the manufacturing sector as a whole. Within the non-manufacturing sector it is oil and gas pipelines and electric utilities that expect the larger cost increases.

Public Compared to Private Capital Spending

Capital spending in the public or government segment of the large firm panel (i.e. crown corporations) is expected to increase by 6 percent in 1983, while the private sector expects a decline of almost 1 percent (Table 11). The public portion represents 37 percent of the total capital spending for 1983 (Table 10).

For 1982, the public and private sectors indicated downward revisions in the level of spending reported earlier, 6.7 percent and 11.4 percent respectively. For 1983, the public sector indicated about a 19 percent (or \$2.8 billion) downward revision between the surveys while the private sector recorded a 16 percent reduction (or \$3.8 billion).

On a regional basis the government portion of total capital investments in 1983 ranges from 25 percent in the Prairies to 54 percent in Quebec (Table 10). Within the public sector, the Atlantic and British Columbia and Northern regions stand out as areas of strength in 1983 with expected year-over-year advances of 23 and 16 percent respectively (Table 11). For 1982, within this sector, the

reported levels of investment were reduced from earlier estimates in all areas: the largest reduction occurring in the Prairie region. For 1983, the expected spending in the Prairie region and Quebec have been lowered substantially from that reported in the April 1982 Survey.

For private sector investment in 1983, Quebec is the leader with an anticipated year-to-year advance of 15 percent; the next strongest area is the Prairies with an advance of some 9 percent. For 1982, the reported levels of spending were reduced from those reported earlier in all regions as was the case for the expected levels of spending for 1983.

Foreign versus Domestic Companies

Foreign majority-owned firms plan an increase of almost 16 percent in their capital spending for 1983 compared with a decrease of about 4 percent for the domestic majority-owned firms (Table 9). Domestic majority-owned firms represent approximately two-thirds of total capital spending reported from 1983 by the Survey panel while the foreign majority-owned firms account for the remainder (Table 8).

Domestic majority-owned firms' spending intentions on plant and equipment for 1983 have been reduced by about 20 percent (\$5.4 billion) between the April 1982 and October 1982 Surveys. Revisions to investment intentions by foreign majority-owned firms in the Survey panel for 1982 amounted to a reduction of 10 percent or \$1.2 billion (Table 9).

On a regional basis, downward revisions are prevalent for 1982 by both domestic and foreign majority-owned firms, the only exception being foreign majority-owned firms spending in the British Columbia and Northern Region.

For 1983 the domestic and foreign majority-owned firms spending show downward revisions in all regions since the April 1982 Survey (Table 9), and the proportion of investment associated with domestic majority-owned firms ranges from a high of 81 percent in Quebec for 1983 to 59 percent in the Prairie Region (Table 8).

Tentative Medium Term Investments

A total of \$18 billion in capital investments was not included by the large corporations in their spending plans, but nevertheless was thought to hold potential for introduction over the medium term. Regionally, firms with headquarters in Ontario reported about \$3.6 billion or 20 percent of the total and Prairie firms about \$7.5 billion or 41 percent of the total (Table 14).

Thirty percent of the \$18 billion under consideration were reported by oil and gas companies, 14 percent by primary metal companies, and 13 percent by electric utilities.

Factors Affecting Outlays

Expected economic conditions in Canada was the factor mentioned most often as affecting the companies' current and future plans (Table 15). As in the previous survey, the cost of funds (interest rates) and cash flow were also a major concerns of the companies. Government policies were mentioned less frequently while expected sales in Canada and abroad were factors mentioned more frequently in October 1982 than in the April 1982 Survey as affecting the companies' investment plans.

Reasons for and Types of Changes in Investment 1982

An upward revision in spending for 1983 was reported by about 26 percent of firms, while 66 percent reported downward revisions and 8 percent indicated no change from the April 1982 Survey.

Domestic and foreign market demand and external (cost of funds) financial considerations were identified as the major factors causing firms to revise their 1983 spending plans downward. Internal financing (cash flow) and rates of return on investment were also taken into consideration by firms lowering their investment intentions for 1983. Firms who reported upward revisions indicated that better estimates, capacity requirements, carryovers and domestic market demand were some of the factors in their budget decisions. For further details see Tables 18-27.

Purpose of Investment

Of the total corporations in the Survey panel, 230 reported the breakdown of their capital spending by purpose; thus, over 80 percent of the total reported capital spending for 1983 was allocated to the various purpose categories. Categories generally fall into two basic groups, namely those which add directly to production facilities, and those which do not, the latter group including research and development, pollution abatement and working environment, the former group including expansion of facilities at existing sites, up-grading and replacement and new facilities at new sites.

The larger portions of capital spending continue to be directed to the expansion of existing facilities and to new facilities at new sites. The proportion of capital spending directed to research and development remains steady at 1.2 percent in 1983. The proportion related to pollution abatement is increasing from 2.1 percent in 1982 to 2.6 percent in 1983. For further details, see Tables 28, 29 and 30.

Medium Term Investment

A comparison of the results of the current Survey with that of April 1982 shows that earlier investment plans for the 1984-1986 period in Canada as a whole shows a 19 percent reduction. This adjustment is attributable mostly to the non-manufacturing sector, which accounts for about 90 percent of this decrease. All companies presently indicate a total of about \$86 billion (current dollars) in investment plans for the medium term (1984-1986). Increased spending intentions for the medium term reported by companies in oil and gas pipelines and transportation and storage companies were more than offset by reduced levels of spending reported by mining, oil and gas, electric utilities and primary metal companies.

On a regional basis, Quebec and the Prairies show the larger between-Survey downward revisions for the 1984-1986 period. See Tables 12, 13, 16 and 17 for further details.

Regional Distribution of Business Investment

Spending patterns reported in the Survey reflect developments in the various regions in broad terms only and therefore should be interpreted with some caution.

For 1982 as compared to 1981 a larger proportion of capital expenditures on new production facilities was designated for the Atlantic and British Columbia and Northern Regions, while the Prairies and Ontario are receiving a smaller share. Also, from 1983 on, the proportional shares of investment directed to the Atlantic and B.C. Regions is increasing while that of Quebec is declining.

The regional percentage distribution of total business capital investment over the medium term, as reported by the firms surveyed in October 1982, is presented in the following table:

<u>Regions</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Atlantic	5.8	7.4	8.2	9.0	9.0	9.9
Quebec	17.8	17.6	17.3	15.9	13.9	13.4
Ontario	25.1	24.7	25.6	23.2	24.8	24.1
Prairies	29.6	28.2	29.3	30.0	30.5	29.5
BC & Northern	14.3	14.9	15.1	17.4	18.0	18.6
Unallocated*	7.4	7.2	4.5	4.5	3.8	4.5

Regional Perspectives

Atlantic Region (Tables 31-34)

Total spending on plant and equipment in 1983 in the Atlantic region by companies in the Survey panel is expected to be about \$2.5 billion. (As noted earlier, dollar levels and percent changes are based on current dollars.) This represents an increase of 9 percent over the level of \$2.3 billion reported for 1982 (Table 31). Compared with the April 1982 Survey returns, these levels of investment represent revisions of -11.2 percent for 1982 and -13.4 percent for 1983.

Investment spending in 1983 by the manufacturing sector in the Atlantic region is expected to decline by about 34 percent, to a level of \$336 million. Within this sector the primary metals and food and beverages sectors register percentage increases for 1983 while forest products and transportation equipment report declines.

For the non-manufacturing sector in the Atlantic Region, capital spending for 1983 is expected to reach \$2,197 million, up 22

* Includes investment which was not specifically allocated to a particular region because it was uncertain which region it would take place in and expenditures on moveable machinery and equipment, i.e., rail rolling stock, ships, etc.

percent over 1982. The largest year-to-year advances for 1983 are reported by the oil and gas and trade, finance and other commercial companies. Mining companies investment is expected to drop in the Atlantic region by about one-third.

Crown corporations, which account for almost 50 percent of total capital spending in the Atlantic region for 1983 (Table 10), have revised their 1983 spending plans downward by 11.6 percent, while the private sector recorded a 15.0 percent decrease in investment plans for 1983, since the last Survey. Both sectors recorded downward revisions of 8 and 13 percent respectively in their level of spending for 1982 (Table 33).

Foreign majority-owned firms expect to increase spending on new plant and equipment by 22 percent in the Atlantic provinces in 1983 while domestic majority-owned firms expect spending to increase by about 4 percent. Domestic majority-owned firms show a downward revision of 16 percent from the previous Survey in the level of spending expected for 1983, due to the revised levels of spending by non-manufacturing firms. Similarly, foreign majority-owned firms show a reduction (7 percent) in intended outlays for 1983 concentrated in the manufacturing sector (Table 32).

Quebec (Tables 35-38)

The October 1982 Survey shows that the large corporations investing in new plant and equipment in Quebec expect to spend \$5.3 billion in 1983, an increase of 3 percent over the 1982 level of \$5.1 billion. This level of spending for 1983 represents a reduction of 22 percent from that reported in April 1982 (Table 35).

Capital spending by the manufacturing sector in Quebec is expected to reach about \$1.2 billion in 1983, 25 percent higher than the 1982 level. Primary metals, transportation equipment and chemicals

sectors indicated the strongest year-over-year percentage increases while the forest products sector showed a decline.

The 2 percent decrease in the spending plans in 1983 for the Quebec non-manufacturing sector contrasts the national average of a 3 percent increase for this sector. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of crown corporations. The larger year-to-year percentage increases for 1983 are in the mining; transportation and storage; and trade, finance and other commercial sectors. Communications and utilities record relatively weak spending plans.

Crown (public) corporations, which account for about 54 percent of the total capital spending in Quebec (Table 10), are expecting to decrease spending in 1983 by 6 percent. Private sector spending in Quebec is expected to advance by 15 percent in 1983. The level of spending for 1983 reported by public companies has decreased by 26 percent since the April 1982 Survey and the current level reported by private companies is 17 percent lower.

Companies headquartered in Quebec are more optimistic about prospects for 1983 than they are for 1982. This is particularly true with respect to profits and Canadian business conditions. In addition, domestic and export sales are expected to show some improvement in 1983 (Table 38).

In October 1982, companies headquartered in Quebec had about \$2.2 billion of investments, which were not included in their reported spending plans but were nevertheless thought to hold high potential for introduction over the medium term (Table 14). Expected cash flow, expected sales and economic conditions were the factors that were most frequently mentioned as affecting the spending plans of these companies (Table 15). There has been a decrease in the frequency of response

indicating the cost of funds as having had a negative impact on investment plans.

Ontario (Tables 39-42)

Corporations with plant and equipment investments in Ontario reported in the October 1982 Survey that they expect their level of spending in 1983 to approach \$7.9 billion, an increase of 4 percent or \$300 million over the revised 1982 level (Table 39).

Investment spending in 1983 by the manufacturing sector in Ontario is expected to reach about \$2.3 billion, a decrease of 5 percent from the 1982 level. The transportation equipment, food and beverages and miscellaneous manufacturing sectors are recording year-to-year advances. Chemicals, forest products and primary metal companies recorded decreases in the level of investment for 1983.

The 8 percent increase in spending for 1983 by the non-manufacturing sector in Ontario is somewhat above the national average of 3 percent for this sector. Transportation and storage; trade, finance and other commercial; and oil and gas companies are the principal contributors to the expected increase in spending. Spending by mining and oil and gas pipelines is expected to decline in Ontario in 1983.

Private sector spending in Ontario for 1983 is expected to advance by 0.9 percent as compared with a 9 percent increase in the public segment of the business sector (Table 41). Private sector spending on plant and equipment accounts for about 60 percent of the total investment in Ontario for 1983. Revisions in investment intentions from the April Survey for 1983 by the public segment of the Survey panel amounted to a decrease of about \$130 million or 4 percent and a decrease of \$800 million (14 percent) for the private portion of the Survey panel.

Foreign majority-owned firms show about a 28 percent increase in spending in Ontario in 1983 while domestic majority-owned firms indicate a 4 percent decline (Table 40). Strength for 1983 in the foreign sector is centered in the manufacturing sector which records a 36 percent or \$400 million increase over 1982. In the domestic majority-owned segment, the decline in the spending plans of the manufacturing sector, in particular primary metals and forest products, more than offset increases in the non-manufacturing sector (trade, finance and other commercial companies and utilities).

Companies with headquarters in Ontario are more optimistic about profits and corporate financial conditions for 1983 than was the case for 1982 (Table 42). They are also optimistic about domestic and export sales in 1983 as well as overall Canadian business conditions.

Capital investments of \$3.6 billion were not included in the capital spending plans of the Ontario-headquartered corporations but were thought to hold high potential for introduction over the next few years. About 60 percent of this considered investment was reported by non-manufacturing firms, in particular, trade, finance and other commercial companies. The considered investments by manufacturing firms, are centered in primary metals and chemicals.

In October 1982 Canadian business conditions was the factor most often cited by companies with headquarters in Ontario as having a negative effect on spending plans (Table 15). Cost of funds, expected cash flow, government policies and domestic sales are also concerns.

Prairie Region (Tables 43-50)

Total capital spending in the Prairies in 1983 is expected to be about \$9.3 billion, an increase of 7 percent from the revised 1982 levels. This level represents a decrease of 14 percent or \$1.5 billion from that expected for 1983 in April 1982 (Table 43). For 1983

spending in Alberta is expected to rise by 6 percent, in Saskatchewan by 13 percent, and in Manitoba by 2 percent. Over 70 percent of the investment directed to the Prairies will be allocated to Alberta and as such it dominates the overall Prairie picture.

Manufacturing spending in the Prairies is expected to advance by 8 percent in 1983 due mainly to increased spending by forest products and miscellaneous manufacturing companies which affect the reduced spending reported by chemical companies (Table 43). Spending by manufacturing firms in Manitoba and Saskatchewan is expected to advance by 8 percent in 1983, as is the case for manufacturing spending in Alberta (Tables 44 and 45).

Total non-manufacturing spending in the Prairies of \$8.6 billion for 1983 represents an advance of 7 percent over the revised 1982 level - a higher percentage increase than that expected for non-manufacturing in Canada as a whole (Table 43). For Alberta, non-manufacturing spending for 1983 was revised downward from April 1982 anticipations (by about 8 percent) and is now expected to advance by 5 percent over 1982 levels. All non-manufacturing sectors in Alberta, with the exception of pipeline companies, showed decreased levels of spending for 1983 from April 1982 projections (Table 45). Non-manufacturing spending in Manitoba and Saskatchewan combined is expected to advance by 10 percent in 1983. This increase is due mainly to the planned spending by mining and transportation companies in Saskatchewan.

Private sector spending in 1983 is advancing by 9 percent in the Prairies as compared with 2 percent for the public segment of the business sector. Since April 1982 the public or government sector in the Prairies has decreased its expected level of spending for 1983 by some 28 percent, which is somewhat more than the Canadian average of 19 percent. Private sector spending levels for 1983 show an 8 percent reduction from April expectations, (somewhat less than the Canada

average) reflecting lower spending by the mining, oil and gas companies and trade, finance and other commercial companies (Table 47).

Domestic and foreign firms are expecting percentage increases in their capital spending in the Prairies for 1983, of about the same magnitude, i.e. 7 percent (Table 46). Since April 1982, domestic firms spending for 1983 in the Prairies have been reduced by 17 percent while those of other foreign firms have decreased some 10 percent.

Companies with headquarters in the Prairies are generally more optimistic about prospects for 1983 as compared with 1982, especially with respect to profits and Canadian business conditions (Table 50).

Capital investments of about \$7.5 billion were not included in the capital spending plans of the Prairie-headquartered companies but were thought to hold high potential for introduction over the medium term (Table 14).

In October 1982, as was the case in April 1982, a dominant factor affecting capital spending plans were federal government policies (Table 5). Economic conditions in Canada was the most often cited factor as affecting outlays. Cost of funds, cash flow and expected sales are continuing concerns.

British Columbia and Northern Region (Tables 51-54)

Spending for 1983 in the British Columbia and Northern Region (including the Yukon and Northwest Territories) is expected to reach \$4.4 billion. This current level of spending is about 4 percent above the revised 1982 level (\$4.3 billion). However, this level represents a \$1.6 billion (26 percent) reduction from April 1982 estimates (Table 51).

Investment in the manufacturing sector in this region is expected to reach about \$510 million in 1983, a 21 percent reduction from 1982. Declines in forest products sector more than offset increases in other areas.

Expected spending by non-manufacturing firms in the British Columbia and Northern Region of \$3.9 billion for 1983 represents an advance of 8 percent over 1982 levels: somewhat above the national average increase of 3 percent for this sector. Spending plans of pipelines and trade, finance and other commercial companies provided the major impetus to this increase. Mining companies expect to reduce their level of spending in 1983.

Spending for 1983 by the private segment of the business sector on new plant and equipment is expected to decrease by about 2 percent (Table 53). The public sector spending for 1983 is expected to increase by about 16 percent.

Foreign majority-owned firms investing in the British Columbia and Northern Region are expected to increase spending by 5 percent in 1983, while a 3 percent increase is expected by domestic majority-owned firms. The year-to-year increase for 1983 reported by the domestic segment in the British Columbia Region contrasts the decline expected for Canada by all domestic companies (Table 52).

Companies with headquarters in the British Columbia and Northern Region show more optimism for prospects in 1983 than for 1982, especially with respect to Canadian business conditions, corporate employment prospects and profits (Table 54).

The British Columbia and Northern headquartered firms reported \$2.7 billion of capital investments which were not included in their reported budgets but were considered to hold high potential for implementation over the next few years (Table 14). This amount was

about equally split between manufacturing firms (primary metals and forest products) and non-manufacturing firms (oil and gas pipelines and communications).

Expected cash flow and business conditions both in Canada and abroad were the factors most often mentioned as affecting spending plans by the firms in this region (Table 15). Expected sales abroad and cost of funds are also concerns.

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA

(Current \$ Millions)

<u>Industry</u>	<u>1982</u> <u>Reported in</u> <u>April 1982</u>	<u>1982</u> <u>Reported in</u> <u>October 1982</u>	<u>1983</u> <u>Reported in</u> <u>April 1982</u>	<u>1983</u> <u>Reported in</u> <u>October 1982</u>
Food & Beverages	387.1	365.2	458.0	512.3
Forest Products	1,818.0	1,611.6	1,836.1	1,086.2
Primary Metals	1,288.0	1,149.5	1,638.4	1,014.5
Chemicals	794.0	670.6	961.4	616.2
Transportation Equip.	787.5	694.4	851.0	938.3
Other Manufacturing	1,549.5	1,223.0	1,587.4	1,387.1
<u>Total Manufacturing</u>	<u>6,624.1</u>	<u>5,714.3</u>	<u>7,332.3</u>	<u>5,554.6</u>
Mining Companies	2,190.9	1,814.4	2,356.4	1,642.8
Oil & Gas Companies	8,209.0	7,183.0	9,814.2	8,164.7
Oil & Gas Pipelines	2,265.7	2,110.5	1,708.4	1,624.6
Transp. & Storage	2,108.1	1,940.4	2,087.0	2,013.2
Communications	3,087.2	2,900.2	3,346.3	2,505.2
Electric Utilities	8,123.6	7,885.0	9,666.6	8,314.3
Trade, Finance and Other Commercial	1,324.4	1,087.3	1,487.4	1,401.9
<u>Total Non-Manufacturing</u>	<u>27,308.9</u>	<u>24,920.8</u>	<u>30,466.3</u>	<u>25,666.7</u>
<u>TOTAL</u>	<u>33,933.0</u>	<u>30,635.1</u>	<u>37,798.6</u>	<u>31,221.3</u>

* Only those firms which reported for the April 1982 and the October 1982 Surveys for the years 1982 and 1983 are used in this table, namely 266 firms.

TABLE 2

**CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA**

(Current \$ Millions)

<u>Industry</u>	Revisions Between April 1982 & October 1982 Surveys (Percent Change)		1983/82 Year-to-Year (Percent Change)	
	<u>1982</u>	<u>1983</u>	<u>Reported in April 1982</u>	<u>Reported in October 1982</u>
Food & Beverages	-5.7	11.8	18.3	40.2
Forest Products	-11.4	-40.9	0.9	-32.7
Primary Metals	-10.8	-38.1	27.2	-11.8
Chemicals	-15.6	-36.0	21.0	-8.2
Transportation Equip.	-11.9	10.2	8.0	35.1
Other Manufacturing	-21.1	-12.7	2.4	13.4
<u>Total Manufacturing</u>	<u>-13.8</u>	<u>-24.3</u>	<u>10.6</u>	<u>-2.8</u>
Mining Companies	-17.2	-30.3	7.5	-9.5
Oil & Gas Companies	-12.5	-16.9	19.5	13.6
Oil & Gas Pipelines	-6.9	-5.0	-24.6	-23.1
Transportation & Storage	-8.0	-3.6	-1.1	3.7
Communications	-6.1	-25.2	8.3	-13.7
Electric Utilities	-3.0	-14.0	18.9	5.4
Trade, Finance and Other Commercial	-18.0	-5.8	12.3	28.9
<u>Total Non-Manufacturing</u>	<u>-8.8</u>	<u>-15.8</u>	<u>11.5</u>	<u>2.9</u>
<u>TOTAL</u>	<u>-9.8</u>	<u>-17.5</u>	<u>11.3</u>	<u>1.9</u>

* Only those firms which reported for the April 1982 and the October 1982 Surveys for the years 1982 and 1983 are used in this table, namely 266 firms.

TABLE 3

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA

(Constant 1982 \$ Millions)

<u>Industry</u>	<u>1982</u> <u>Reported in</u> <u>April 1982</u>	<u>1982</u> <u>Reported in</u> <u>October 1982</u>	<u>1983</u> <u>Reported in</u> <u>April 1982</u>	<u>1983</u> <u>Reported in</u> <u>October 1982</u>
Food & Beverages	387.1	365.2	411.1	464.7
Forest Products	1,818.0	1,611.6	1,665.9	990.5
Primary Metals	1,288.0	1,149.5	1,471.6	922.0
Chemicals	794.0	670.6	868.0	559.8
Transportation Equip.	787.5	694.4	775.4	870.8
Other Manufacturing	1,549.5	1,223.0	1,444.1	1,268.7
<u>Total Manufacturing</u>	<u>6,624.1</u>	<u>5,714.3</u>	<u>6,636.1</u>	<u>5,076.5</u>
Mining Companies	2,190.9	1,814.4	2,120.6	1,480.5
Oil & Gas Companies	8,209.0	7,183.0	8,755.2	7,370.7
Oil & Gas Pipelines	2,265.7	2,110.5	1,532.4	1,446.8
Transp. & Storage	2,108.1	1,940.4	1,895.5	1,839.9
Communications	3,087.2	2,900.2	3,046.3	2,297.2
Electric Utilities	8,123.6	7,885.0	8,679.6	7,467.5
Trade, Finance and Other Commercial	1,324.4	1,087.3	1,332.5	1,258.4
<u>Total Non-Manufacturing</u>	<u>27,308.9</u>	<u>24,920.8</u>	<u>27,362.1</u>	<u>23,161.0</u>
<u>TOTAL</u>	<u>33,933.0</u>	<u>30,635.1</u>	<u>33,998.2</u>	<u>28,237.5</u>

* Only those firms which reported for the April 1982 and the October 1982 Surveys for the years 1982 and 1983 are used in this table, namely 266 firms.

TABLE 4

**CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA**

(Constant 1982 \$ Millions)

<u>Industry</u>	Revisions Between April 1982 & October 1982 Surveys (Percent Change)		1983/82 Year-to-Year (Percent Change)	
	<u>1982</u>	<u>1983</u>	<u>Reported in October 1982</u>	<u>Reported in April 1982</u>
Food & Beverages	-5.7	13.0	6.1	27.2
Forest Products	-11.4	-40.6	-8.4	-38.6
Primary Metals	-10.8	-37.4	14.2	-19.8
Chemicals	-15.6	-35.6	9.3	-16.6
Transportation Equip.	-11.9	12.3	-1.6	25.4
Other Manufacturing	-21.1	-12.2	-6.9	3.7
<u>Total Manufacturing</u>	<u>-13.8</u>	<u>-23.6</u>	<u>0.1</u>	<u>-11.2</u>
Mining Companies	-17.2	-30.2	-3.3	-18.5
Oil & Gas Companies	-12.5	-15.9	6.6	2.6
Oil & Gas Pipelines	-6.9	-5.6	-32.4	-31.5
Transp. & Storage	-8.0	-3.0	-10.1	-5.2
Communications	-6.1	-24.6	-1.4	-20.8
Electric Utilities	-3.0	-14.0	6.8	-5.3
Trade, Finance and Other Commercial	-18.0	-5.6	0.6	15.7
<u>Total Non-Manufacturing</u>	<u>-8.8</u>	<u>-15.4</u>	<u>0.1</u>	<u>-7.1</u>
<u>TOTAL</u>	<u>-9.8</u>	<u>-17.0</u>	<u>0.1</u>	<u>-7.9</u>

* Only those firms which reported for the April 1982 and the October 1982 Surveys for the years 1982 and 1983 are used in this table, namely 266 firms.

TABLE 5.A

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Current \$ Millions)

<u>Province</u>	<u>No. of Companies</u>	<u>1982 Reported in Apr. 1982</u>	<u>1982 Reported in Oct. 1982</u>	<u>1983 Reported in Apr. 1982</u>	<u>1983 Reported in Oct. 1982</u>
Newfoundland	30	910.9	676.1	1,212.2	1,017.4
Prince Edward Island	9	14.3	16.0	15.5	12.5
Nova Scotia	36	723.5	645.7	892.7	840.7
New Brunswick	31	819.7	734.9	653.3	440.1
Atlantic Provinces	79	2,610.6	2,319.1	2,924.5	2,533.7
Quebec	123	5,391.8	5,136.7	6,808.6	5,287.9
Ontario	164	8,423.8	7,588.0	8,833.3	7,895.2
Manitoba	52	515.2	460.7	614.4	471.6
Saskatchewan	50	1,345.0	1,045.6	1,603.6	1,182.5
Alberta	105	6,678.5	6,297.0	7,421.0	6,653.2
Prairie Region	140	9,626.3	8,666.8	10,776.9	9,278.4
British Columbia	110	3,648.8	3,383.0	4,425.8	3,427.0
Yukon	6	14.6	14.1	13.7	11.0
Northwest Territories	15	1,074.1	865.3	1,458.5	933.0
B.C. and Northern	117	4,764.0	4,280.4	6,041.7	4,442.4
<u>CANADA</u>	<u>266</u>	<u>33,933.0</u>	<u>30,635.1</u>	<u>37,798.6</u>	<u>31,221.3</u>

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals will not necessarily add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 5.B

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

	<u>Year-to-Year Percent Change</u>		<u>Between Survey Revisions</u>	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
Atlantic	33.1	9.2	-11.2	-13.4
Quebec	3.4	2.9	-4.8	-22.4
Ontario	-2.5	4.0	-10.0	-10.7
Prairies	6.2	7.0	-10.0	-14.0
B.C. & Northern	7.9	3.7	-10.2	-26.5
<u>CANADA</u>	<u>4.7</u>	<u>1.9</u>	<u>-9.8</u>	<u>-17.5</u>

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

TABLE 6

YEAR-TO-YEAR PERCENTAGE CHANGES ESTIMATED IN
THE COST OF CAPITAL GOODS REPORTED OCTOBER 1982 FOR:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Atlantic	11.1	10.6	10.9	11.1	9.8
Quebec	11.2	11.1	10.3	10.4	9.1
Ontario	10.9	9.5	10.0	9.1	8.5
Prairies	10.8	10.9	9.6	8.5	9.2
B.C. & Northern	10.9	11.2	10.4	10.1	9.8
<u>CANADA</u>	<u>10.9</u>	<u>10.6</u>	<u>10.1</u>	<u>9.4</u>	<u>9.2</u>

TABLE 7

COST ADJUSTMENT FACTORS 1982-1986

<u>Industry</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Food & Beverages	100.0	111.5	122.7	134.7	146.4	158.7
Forest Products	100.0	110.3	120.9	131.0	142.4	155.0
Primary Metals	100.0	111.6	121.8	131.2	148.9	162.0
Chemicals	100.0	111.7	121.5	134.6	144.2	157.9
Transportation Equipment	100.0	107.7	115.5	128.5	141.4	160.7
Other Manufacturing	100.0	110.7	121.0	131.5	141.8	153.7
<u>Total Manufacturing</u>	<u>100.0</u>	<u>110.6</u>	<u>120.1</u>	<u>131.5</u>	<u>143.9</u>	<u>157.5</u>
Mining	100.0	111.5	123.7	136.1	148.1	163.2
Oil & Gas Companies	100.0	110.9	122.9	135.5	148.7	162.7
Oil & Gas Pipelines	100.0	111.4	125.5	139.4	154.6	171.9
Transportation & Storage	100.0	110.6	120.9	131.4	141.3	152.8
Communications	100.0	109.3	119.4	129.3	139.6	150.8
Electric Utilities	100.0	111.7	124.3	137.9	152.3	167.2
Trade, Finance & Other Commercial	100.0	111.3	124.3	135.5	146.3	161.0
<u>Total Non-Manufacturing</u>	<u>100.0</u>	<u>111.0</u>	<u>123.1</u>	<u>135.5</u>	<u>148.2</u>	<u>161.8</u>
<u>TOTAL</u>	<u>100.0</u>	<u>110.9</u>	<u>122.6</u>	<u>135.0</u>	<u>147.7</u>	<u>161.3</u>

TABLE 8

DISTRIBUTION OF CAPITAL INVESTMENT BY
DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	Domestic		Foreign	
	1982	1983	1982	1983
	%		%	
Atlantic	73	70	27	30
Quebec	88	81	12	19
Ontario	76	70	24	30
Prairies	59	59	41	41
B.C. & Northern	66	65	34	35
<u>CANADA</u>	<u>72</u>	<u>68</u>	<u>28</u>	<u>32</u>

TABLE 9

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change		Between Survey Revisions	
	1982/1981	1983/1982	1982	1983
	(%)		(%)	(%)
<u>Domestic Majority Owned</u>				
Atlantic	42.4	4.4	-9.2	-15.8
Quebec	1.6	-5.8	-3.4	-25.1
Ontario	4.8	-3.7	-7.8	-13.8
Prairies	4.1	7.0	-10.2	-16.6
B.C. & Northern	14.7	3.1	-17.4	-35.5
<u>CANADA</u>	<u>7.1</u>	<u>-3.6</u>	<u>-8.8</u>	<u>-20.5</u>
<u>Foreign Majority Owned</u>				
Atlantic	13.4	22.2	-16.1	-7.4
Quebec	19.3	69.0	-14.0	-8.3
Ontario	-19.8	27.8	-16.1	-2.3
Prairies	9.4	7.1	-9.8	-9.7
B.C. & Northern	-3.0	5.0	7.5	-0.7
<u>CANADA</u>	<u>-0.8</u>	<u>15.5</u>	<u>-12.1</u>	<u>-10.4</u>

Note: Actual 1981, preliminary actual 1982 and intentions 1983. See Table 9A for the dollar levels for 1981, 1982 and 1983.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1981-1983

(Current \$ Millions)

DOMESTIC OWNED COMPANIES/FOREIGN OWNED COMPANIES

ALL INDUSTRIES

<u>DOMESTIC</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Atlantic	1,184.5	1,688.1	1,762.4
Quebec	4,466.3	4,539.7	4,278.6
Ontario	5,471.8	5,735.6	5,525.0
Prairies	4,940.3	5,146.7	5,507.8
B.C. & Northern	2,444.9	2,804.5	2,891.5
<u>CANADA</u>	<u>20,466.0</u>	<u>21,920.4</u>	<u>21,150.5</u>
<u>FOREIGN</u>			
Atlantic	556.3	631.0	771.3
Quebec	500.4	597.0	1,009.3
Ontario	2,308.4	1,853.4	2,370.2
Prairies	3,216.2	3,520.0	3,771.6
B.C. & Northern	1,520.1	1,475.9	1,550.9
<u>CANADA</u>	<u>8,778.9</u>	<u>8,714.7</u>	<u>10,070.8</u>

Note: (1) Actual 1981, preliminary actual 1982 and intentions 1983.

(2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 10

DISTRIBUTION OF CAPITAL INVESTMENT BY
PUBLIC AND PRIVATE FIRMS WITHIN REGIONS

	Public		Private	
	1982	1983	1982	1983
	%		%	
Atlantic	42	47	58	53
Quebec	59	54	41	46
Ontario	38	40	62	60
Prairies	26	25	74	75
B.C. & Northern	34	38	66	62
<u>CANADA</u>	<u>36</u>	<u>37</u>	<u>64</u>	<u>63</u>

TABLE 11

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change		Between Survey Revisions	
	1982/1981	1983/1982	1982	1983
	(%)		(%)	(%)
<u>Public Majority Owned</u>				
Atlantic	42.3	23.2	-8.1	-11.6
Quebec	4.7	-5.5	-1.6	-26.3
Ontario	23.8	9.2	-5.8	-4.1
Prairies	21.7	2.1	-13.2	-28.4
B.C. & Northern	56.1	15.8	-4.6	-19.4
<u>CANADA</u>	<u>18.7</u>	<u>6.2</u>	<u>-6.7</u>	<u>-19.2</u>
<u>Private Majority Owned</u>				
Atlantic	27.2	-0.9	-13.3	-15.0
Quebec	1.5	15.0	-9.1	-17.2
Ontario	-13.7	0.9	-12.3	-14.5
Prairies	1.7	8.7	-8.9	-7.9
B.C. & Northern	-6.8	-2.4	-12.8	-30.3
<u>CANADA</u>	<u>-1.7</u>	<u>-0.6</u>	<u>-11.4</u>	<u>-16.4</u>

Note: Actual 1982, preliminary actual 1982 and intentions 1983.
See Table 11A for the dollar levels for 1981, 1982 and 1983.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1981-1983

(Current & Millions)

PUBLIC COMPANIES/PRIVATE COMPANIES

ALL INDUSTRIES

<u>PUBLIC</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Atlantic	681.9	971.0	1,196.4
Quebec	2,904.4	3,043.3	2,878.5
Ontario	2,316.0	2,867.8	3,132.0
Prairies	1,831.0	2,228.8	2,275.7
B.C. & Northern	925.3	1,445.0	1,674.4
<u>CANADA</u>	<u>9,234.5</u>	<u>10,962.1</u>	<u>11,647.4</u>
 <u>PRIVATE</u>			
Atlantic	1,059.8	1,348.1	1,337.3
Quebec	2,062.3	2,093.4	2,409.4
Ontario	5,464.2	4,720.2	4,763.2
Prairies	6,325.5	6,438.0	7,002.7
B.C. & Northern	3,039.7	2,835.4	2,768.0
<u>CANADA</u>	<u>20,010.4</u>	<u>19,673.0</u>	<u>19,573.9</u>

Note: (1) Actual 1981, preliminary actual 1982 and intentions 1983.

(2) The above Table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 12

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES 1981-1986

(Current \$ Millions)

<u>SURVEY/REGION</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>TOTAL</u>
<u>October 1982*</u>							
Atlantic (62)	1,457	2,009	2,293	2,501	2,607	2,910	13,777
Quebec (99)	4,494	4,762	4,809	4,434	4,020	3,935	26,454
Ontario (131)	6,320	6,674	7,120	6,450	7,178	7,089	40,831
Prairies (109)	7,470	7,625	8,171	8,360	8,827	8,673	49,126
B.C. & Northern (90)	3,605	4,023	4,204	4,828	5,214	5,481	27,355
<u>CANADA (219)</u>	<u>25,215</u>	<u>27,063</u>	<u>27,864</u>	<u>27,825</u>	<u>28,971</u>	<u>29,389</u>	<u>166,327</u>
<u>April 1982</u>							
Atlantic (62)	1,462	2,291	2,663	2,973	3,008	2,846	15,243
Quebec (99)	4,487	5,010	6,261	6,011	5,685	7,492	34,946
Ontario (131)	6,368	7,384	8,103	7,728	7,768	7,758	45,109
Prairies (109)	7,226	8,501	9,658	10,128	9,949	10,478	55,940
B.C. & Northern (90)	3,586	4,472	5,740	6,466	6,356	5,420	32,040
<u>CANADA (219)</u>	<u>25,226</u>	<u>29,806</u>	<u>34,151</u>	<u>35,277</u>	<u>34,998</u>	<u>36,318</u>	<u>195,776</u>

Note: * Actual 1981, preliminary actual 1982 and intentions 1983-86.
Only those firms which reported for the October 1982 and April 1982 Surveys for the years 1981-86 (each and every year) are used in this table, i.e. a matched panel. The number of reporting companies is provided in brackets after the name of each region. See Appendix, point (1) for the explanation of matching.

TABLE 13

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES

(Percent Changes)

Between Survey Revisions

	<u>1981 - 1983</u>	<u>1984 - 1986</u>	<u>1981 - 1986</u>
Atlantic	-10.2	-9.2	-9.6
Quebec	-10.7	-35.4	-24.3
Ontario	-8.0	-10.9	-9.5
Prairies	-8.3	-15.4	-12.2
B.C. & Northern	-14.3	-14.9	-14.6
<u>CANADA</u>	<u>-10.1</u>	<u>-19.1</u>	<u>-15.0</u>

TABLE 14

CONSIDERED INVESTMENT

Percent Distribution

<u>Companies with H.Q. in:</u>	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Atlantic (4 of 15)	-	12.3	12.3
Quebec (8 of 41)	7.5	4.4	11.9
Ontario (27 of 137)	7.9	11.8	19.7
Prairies (11 of 53)	-	41.1	41.1
B.C. & Northern (9 of 31)	7.5	7.6	15.0
<u>All Companies (59 of 277)</u>	<u>22.9</u>	<u>77.1</u>	<u>100.0</u>
			(\$18,138)

Note: The number of reporting companies is provided in brackets.

TABLE 15

**FACTORS REPORTED AS AFFECTING CURRENT AND CONSIDERED
INVESTMENT SPENDING**

(Frequency of Response)

<u>FACTOR/REGION OF H.Q.</u>	<u>ATLANTIC</u>		<u>QUEBEC</u>		<u>ONTARIO</u>		<u>PRAIRIES</u>		<u>B.C. & NORTHERN</u>		<u>TOTAL</u>	
	<u>082</u>	<u>A82</u>	<u>082</u>	<u>A82</u>	<u>082</u>	<u>A82</u>	<u>082</u>	<u>A82</u>	<u>082</u>	<u>A82</u>	<u>082</u>	<u>A82</u>
Cdn. Fed. Gov't Policies	6	7	11	13	52	66	22	24	16	9	97	119
Other Cdn. Gov't Policies	3	5	4	8	21	31	19	17	4	2	41	63
Foreign Gov't Policies	-	1	2	2	6	10	4	2	2	1	14	16
Exchange Rates	1	1	3	3	12	17	4	3	5	4	25	28
Non-Tariff Barriers Canada	-	-	-	-	2	1	-	-	-	-	2	1
Cdn. Tariffs Too High	1	-	1	1	1	-	-	-	-	-	3	1
Cdn. Tariffs Too Low	-	1	-	-	6	3	-	-	-	-	6	4
Barriers Abroad	-	-	-	-	3	3	-	1	-	-	3	4
Other Trading Factors	-	1	1	1	6	4	1	1	-	-	8	7
Expected Cash Flow	4	4	15	14	49	54	18	16	16	15	102	103
Rates of Return	5	5	8	8	40	38	12	11	6	3	71	69
Other Internal Fin. Cond.	1	1	2	1	11	9	2	2	-	1	16	14
Cost of Funds	7	9	8	15	57	68	21	20	12	17	105	129
Availability of Funds	4	3	5	6	13	21	8	1	4	4	34	35
Other External Fin. Cond.	1	1	1	1	7	8	1	1	1	-	10	11
Other Fin. & Mon. Factors	1	1	-	2	10	6	3	2	-	1	14	13
Raw Material Shortages	1	1	1	1	4	4	2	2	1	-	9	8
Mach. & Equip. Shortages	-	-	-	-	1	2	-	1	-	-	1	3
Manpower Shortages	-	-	-	-	2	5	1	4	1	1	4	10
Labour Problems	-	1	-	1	8	7	4	2	2	1	14	12
Expected Sales in Canada	5	5	12	12	51	39	15	17	7	6	90	80
Expected Sales Abroad	2	3	13	12	33	29	9	7	11	10	68	61
Exp. Econ. Cond. in Canada	4	4	13	18	64	56	23	16	14	9	118	104
Exp. Econ. Cond. Abroad	3	1	7	10	28	24	8	3	13	12	59	50
Other Factors	1	1	-	-	2	2	-	1	-	-	3	4
<u>Sample Size</u>	<u>15</u>	<u>15</u>	<u>41</u>	<u>41</u>	<u>137</u>	<u>139</u>	<u>53</u>	<u>57</u>	<u>31</u>	<u>32</u>	<u>277</u>	<u>285</u>

082 = Oct. 1982 Survey

A82 = April 1982 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1981-86
AS REPORTED IN CURRENT DOLLARS FOR THE OCTOBER 1982 SURVEY

(1981 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Food & Beverages	301.7	100.0	102.0	140.2	116.0	108.7	112.6
Forest Products	1,667.7	100.0	76.1	48.8	75.7	92.4	76.4
Primary Metals	969.5	100.0	77.3	84.3	73.4	67.1	64.8
Chemicals	679.0	100.0	84.0	82.9	70.0	78.1	82.1
Transportation Equip.	439.0	100.0	102.4	152.8	86.3	78.9	91.9
Other Manufacturing	721.1	100.0	85.3	109.4	134.8	132.5	136.7
<u>Total Manufacturing</u>	<u>4,778.0</u>	<u>100.0</u>	<u>82.9</u>	<u>85.3</u>	<u>86.9</u>	<u>91.1</u>	<u>87.7</u>
Mining Companies	1,669.9	100.0	97.7	87.9	74.3	62.9	53.5
Oil & Gas Companies	5,975.6	100.0	117.0	132.7	138.8	146.8	164.2
Oil & Gas Pipelines	1,589.8	100.0	131.4	100.1	101.1	110.9	101.2
Transp. & Storage	1,527.9	100.0	103.2	112.8	111.5	113.3	128.1
Communications	2,677.3	100.0	105.5	91.1	95.1	117.5	126.6
Electric Utilities	6,226.8	100.0	117.4	125.3	119.3	116.4	107.3
Trade, Finance and Other Commercial	769.8	100.0	88.2	108.3	111.4	118.0	111.7
<u>Total Non-Manufacturing</u>	<u>20,437.1</u>	<u>100.0</u>	<u>113.0</u>	<u>116.4</u>	<u>115.8</u>	<u>120.5</u>	<u>123.3</u>
<u>TOTAL</u>	<u>25,215.1</u>	<u>100.0</u>	<u>107.3</u>	<u>110.5</u>	<u>110.3</u>	<u>114.9</u>	<u>116.6</u>

* Only those firms which reported for the April 1982 and the October 1982 Surveys for the years 1981-86 (each and every year) are used in this table namely 219 firms.

TABLE 17

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1981-86
AS REPORTED IN CURRENT DOLLARS FOR THE APRIL 1982 SURVEY

(1981 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Food & Beverages	304.5	100.0	106.4	124.1	106.0	108.3	121.6
Forest Products	1,642.8	100.0	87.8	94.4	100.2	83.2	74.8
Primary Metals	973.6	100.0	87.5	120.3	106.2	81.1	84.9
Chemicals	681.5	100.0	101.8	133.3	141.2	92.6	81.6
Transportation Equip.	440.2	100.0	109.3	147.0	101.4	82.4	105.4
Other Manufacturing	732.5	100.0	90.0	128.0	132.1	132.6	143.3
<u>Total Manufacturing</u>	<u>4,775.1</u>	<u>100.0</u>	<u>94.5</u>	<u>117.1</u>	<u>112.6</u>	<u>93.2</u>	<u>94.1</u>
Mining Companies	1,618.8	100.0	124.0	135.2	115.5	102.2	115.6
Oil & Gas Companies	6,058.1	100.0	132.0	158.1	179.3	184.1	177.9
Oil & Gas Pipelines	1,589.2	100.0	141.2	106.0	125.3	98.5	56.4
Transp. & Storage	1,526.0	100.0	113.1	117.2	108.0	122.5	110.8
Communications	2,660.2	100.0	112.9	121.8	130.4	139.3	148.3
Electric Utilities	6,237.0	100.0	120.6	147.0	145.7	148.8	184.9
Trade, Finance and Other Commercial	761.9	100.0	104.0	119.7	126.8	134.7	126.0
<u>Total Non-Manufacturing</u>	<u>20,451.2</u>	<u>100.0</u>	<u>123.7</u>	<u>139.6</u>	<u>146.2</u>	<u>149.4</u>	<u>155.6</u>
<u>TOTAL</u>	<u>25,226.3</u>	<u>100.0</u>	<u>118.2</u>	<u>135.4</u>	<u>139.8</u>	<u>138.7</u>	<u>144.0</u>

* Only those firms which reported for the April 1982 and the October 1982 Surveys for the years 1981-86 (each and every year) are used in this table, namely 219 firms.

TABLE 18

TYPES OF CHANGES IN PLANS

(Percent Distribution of Response)

<u>Type of Change</u>	<u>1982</u>	<u>1983</u>	<u>1984-1986</u>
Abandoned Plans	12.4	12.6	10.2
Deferred Plans	31.4	28.9	19.2
Reduced Existing Plans	22.4	23.6	18.9
Expanded Existing Plans	4.7	7.9	6.2
Introduced New Plans	4.0	6.3	11.8
Brought Forward Plans from Future Years	1.8	2.1	1.5
Re-introduced Deferred Plans	1.3	3.4	12.1
No Change in Plans	21.4	15.0	20.1
Not Specified	0.5	0.3	-
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Number of Responses	379	381	323
Number of Companies	236	226	202

Note: Totals may not add due to rounding.

TABLE 19

REASONS FOR CHANGES IN PLANS

1982

(Percent Distribution of Total Response)

<u>Reasons for Change</u>	<u>Upward Revisions</u>	<u>Downward Revisions</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	2.2	22.5	-	24.7
Market Demand - Foreign	0.2	8.3	-	8.5
Capacity	1.8	1.4	-	3.2
Rate of Return	0.5	4.9	-	5.4
Financing - External	0.5	7.0	-	7.5
Financing - Internal	0.5	7.4	-	7.9
Costs - Labour	-	0.4	-	0.4
Costs - Other	0.5	0.9	-	1.4
Strikes	-	1.6	-	1.6
Government Regulations	0.9	3.6	-	4.5
Better Estimates	4.1	8.6	0.4	13.1
Carry-overs	0.7	5.2	-	5.9
Other Reasons	2.3	7.6	-	9.9
Not Specified	1.8	0.4	3.6	5.8
TOTAL	<u>16.2</u>	<u>79.8</u>	<u>4.0</u>	<u>100.0</u>
Number of Responses	90	443	22	555
Number of Companies	44	170	22	236

Note: Totals may not add due to rounding.

TABLE 20

REASONS FOR CHANGES IN PLANS

1983

(Percent Distribution of Total Response)

<u>Reasons for Change</u>	<u>Upward Revisions</u>	<u>Downward Revisions</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	2.3	23.0	0.2	25.5
Market Demand - Foreign	1.4	9.8	0.2	11.4
Capacity	2.6	1.8	-	4.4
Rate of Return	0.9	6.5	-	7.4
Financing - External	1.9	6.9	0.2	9.0
Financing - Internal	1.4	5.6	0.2	7.2
Costs - Labour	-	0.5	-	0.5
Costs - Other	-	0.9	-	0.9
Strikes	0.2	-	-	0.2
Government Regulations	1.2	3.0	-	4.2
Better Estimates	4.7	6.9	0.4	12.0
Carry-overs	2.6	2.3	0.4	5.3
Other Reasons	2.1	5.6	0.5	8.2
Not Specified	0.9	1.1	1.9	3.9
TOTAL	<u>22.3</u>	<u>73.8</u>	<u>3.9</u>	<u>100.0</u>
Number of Responses	127	420	22	569
Number of Companies	59	148	19	226

Note: Totals may not add due to rounding.

TABLE 21

REASONS FOR CHANGES IN PLANS

1984 - 1986

(Percent Distribution of Total Response)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revisions</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	9.5	16.6	-	26.1
Market Demand - Foreign	2.9	7.5	-	10.4
Capacity	3.3	3.5	-	6.8
Rate of Return	3.1	4.4	-	7.5
Financing - External	1.8	4.4	-	6.2
Financing - Internal	2.0	5.1	-	7.1
Costs - Labour	0.2	0.2	-	0.4
Costs - Other	0.7	0.7	-	1.4
Strikes	0.2	-	-	0.2
Government Regulations	1.3	2.7	-	4.0
Better Estimates	5.5	3.3	0.2	9.0
Carry-overs	2.4	1.5	0.2	4.1
Other Reasons	2.9	3.5	0.2	6.6
Not Specified	2.2	0.9	6.9	10.0
TOTAL	<u>38.1</u>	<u>54.4</u>	<u>7.5</u>	<u>100.0</u>
Number of Responses	172	246	34	452
Number of Companies	73	95	34	202

Note: Totals may not add due to rounding.

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING -- CANADA

1982

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Re-Introduced			No Change	Not Specified	Total
						Brought Forward	Deferred Plans				
Market Demand-Domestic	5.9	12.2	9.7	0.2	-	-	-	-	0.2	-	28.2
Market Demand-Foreign	2.7	4.7	2.9	-	-	-	-	-	-	-	10.4
Capacity	-	1.4	0.2	-	0.2	-	-	-	-	-	1.8
Rate of Return	1.4	2.5	2.3	-	-	-	-	-	-	-	6.1
Financing - External	1.6	5.6	1.4	-	-	-	-	-	-	0.2	8.8
Financing - Internal	2.0	4.7	2.5	-	-	-	-	-	-	-	9.3
Costs - Labour	0.2	0.2	-	-	-	-	-	-	-	-	0.5
Costs - Other	-	-	0.7	0.2	-	-	-	-	0.2	-	1.1
Strikes	0.2	1.1	0.5	-	-	-	-	-	0.2	-	2.0
Government Regulations	1.1	2.0	0.9	-	0.5	-	-	-	-	-	4.5
Better Estimates	0.2	0.9	1.8	0.5	0.5	-	-	-	6.8	0.2	10.8
Carry-overs	0.2	1.6	3.6	0.2	-	-	0.2	-	0.7	-	6.5
Other Reasons	2.5	3.6	2.3	0.2	0.7	0.2	-	-	-	-	9.5
Not Specified	-	0.2	-	-	-	-	-	-	0.2	-	0.5
TOTAL	18.1	40.9	28.7	1.4	1.8	0.2	0.2	0.2	8.4	0.5	100.0

Number of Responses 443

Number of Companies 170

Note: Totals may not add due to rounding.

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING — CANADA

1982

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-Introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	-	3.3	1.1	1.1	3.3	-	1.1	3.3	-	13.3
Market Demand-Foreign	-	-	1.1	-	-	-	-	-	-	1.1
Capacity	-	-	-	2.2	4.4	2.2	2.2	-	-	11.1
Rate of Return	-	-	1.1	-	1.1	-	1.1	-	-	3.3
Financing - External	-	1.1	-	-	2.2	-	-	-	-	3.3
Financing - Internal	-	1.1	-	2.2	-	-	-	-	-	3.3
Costs - Labour	-	-	-	-	-	-	-	-	-	0.0
Costs - Other	-	-	1.1	1.1	-	-	-	1.1	-	3.3
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	-	1.1	1.1	2.2	-	1.1	-	-	5.6
Better Estimates	-	1.1	-	5.6	-	2.2	1.1	15.6	-	25.6
Carry-overs	-	-	1.1	2.2	-	-	-	1.1	-	4.4
Other Reasons	-	2.2	1.1	4.4	2.2	2.2	1.1	1.1	-	14.4
Not Specified	-	-	-	1.1	-	1.1	-	8.9	-	11.1
TOTAL	0.0	8.9	7.8	21.1	15.6	7.8	7.8	31.1	0.0	100.0

Number of Responses 90

Number of Companies 44

Note: Totals may not add due to rounding.

TABLE 24

**TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING -- CANADA**

1983

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Types of Changes					Re-introduced			Not Specified	Total
	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Deferred Plans	No Change		
Market Demand-Domestic	6.0	12.9	11.2	0.2	0.5	-	0.2	0.2	-	31.2
Market Demand-Foreign	3.3	4.8	4.8	-	0.2	-	0.2	-	-	13.3
Capacity	0.5	1.2	0.7	-	-	-	-	-	-	2.4
Rate of Return	2.6	3.1	2.9	-	0.2	-	-	-	-	8.8
Financing - External	1.2	6.0	1.7	-	0.2	-	-	-	0.2	9.3
Financing - Internal	1.0	4.8	1.9	-	-	-	-	-	-	7.6
Costs - Labour	0.2	0.5	-	-	-	-	-	-	-	0.7
Costs - Other	0.2	0.2	0.5	-	-	-	-	0.2	-	1.2
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	1.0	1.4	1.2	0.2	0.2	-	-	-	-	4.0
Better Estimates	0.2	0.7	2.9	0.5	0.5	0.5	0.2	3.8	-	9.3
Carry-overs	-	0.5	1.0	1.2	-	-	-	0.5	-	3.1
Other Reasons	1.7	2.9	1.9	1.0	0.2	-	-	-	-	7.6
Not Specified	-	0.2	0.2	-	-	-	-	1.0	-	1.4
TOTAL	17.9	39.0	30.7	3.1	2.1	0.5	0.7	5.7	0.2	100.0

Number of Responses 420

Number of Companies 148

Note: Totals may not add due to rounding.

TABLE 25

**TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA**

1983

(Percent Distribution of Response)

TYPES OF CHANGES

<u>Reasons for Change</u>	<u>Abandoned</u>	<u>Deferred</u>	<u>Reduced</u>	<u>Expanded</u>	<u>New Plans</u>	<u>Brought Forward</u>	<u>Re-Introduced Deferred Plans</u>	<u>No Change</u>	<u>Not Specified</u>	<u>Total</u>
Market Demand-Domestic	0.8	2.4	0.8	1.6	3.9	-	-	0.8	-	10.2
Market Demand-Foreign	-	0.8	1.6	2.4	1.6	-	-	-	-	6.3
Capacity	-	0.8	-	1.6	7.1	1.6	0.8	-	-	11.8
Rate of Return	-	2.4	-	-	1.6	-	-	-	-	3.9
Financing - External	-	1.6	3.1	0.8	0.8	0.8	1.6	-	-	8.7
Financing - Internal	-	1.6	2.4	1.6	-	0.8	-	-	-	6.3
Costs - Labour	-	-	-	-	-	-	-	-	-	0.0
Costs - Other	-	-	-	-	-	-	-	-	-	0.0
Strikes	-	-	-	-	-	-	0.8	-	-	0.8
Government Regulations	-	-	-	1.6	1.6	0.8	1.6	-	-	5.5
Better Estimates	0.8	-	1.6	4.7	1.6	0.8	1.6	10.2	-	21.3
Carry-overs	-	-	1.6	4.7	-	-	3.9	1.6	-	11.8
Other Reasons	1.6	-	-	2.4	3.9	0.8	-	0.8	-	9.4
Not Specified	-	-	-	-	-	0.8	-	3.1	-	3.9
<u>TOTAL</u>	<u>3.1</u>	<u>9.4</u>	<u>11.0</u>	<u>21.3</u>	<u>22.0</u>	<u>6.3</u>	<u>10.2</u>	<u>16.5</u>	<u>0.0</u>	<u>100.0</u>

Number of Responses 127

Number of Companies 59

Note: Totals may not add due to rounding.

TABLE 26

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1984 - 1986

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced		No Change	Not Specified	Total
							Deferred Plans	Forward			
Market Demand-Domestic	6.5	11.0	9.8	0.4	0.8	-	1.2	-	0.8	-	30.5
Market Demand-Foreign	3.3	4.9	4.5	0.4	-	-	0.4	-	0.4	-	13.8
Capacity	1.2	0.4	2.4	0.4	1.6	0.4	-	-	-	-	6.5
Rate of Return	2.4	2.8	2.0	-	0.8	-	-	-	-	-	8.1
Financing - External	1.2	4.1	1.6	-	0.8	-	0.4	-	-	-	8.1
Financing - Internal	1.6	3.7	3.3	-	-	-	0.8	-	-	-	9.3
Costs - Labour	-	0.4	-	-	-	-	-	-	-	-	0.4
Costs - Others	0.4	-	0.8	-	-	-	-	-	-	-	1.2
Strikes	-	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	0.8	2.0	0.8	0.4	-	-	0.8	-	-	-	4.9
Better Estimates	0.4	1.4	1.6	0.4	0.4	-	-	-	2.8	-	6.1
Carry-overs	-	0.8	1.6	0.4	-	-	-	-	-	-	2.8
Other Reasons	1.2	2.0	2.4	0.4	0.4	-	-	-	-	-	6.5
Not Specified	-	-	0.4	-	-	-	-	-	1.2	-	1.6
TOTAL	19.1	32.5	31.3	2.8	4.9	0.4	3.7	5.3	0.0	0.0	100.0

Number of Responses 246

Number of Companies 95

Note: Totals may not add due to rounding.

TABLE 27

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA

1984 - 1986

(Percent Distribution of Response)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-Introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	1.7	2.9	2.3	4.1	6.4	-	7.0	0.6	-	25.0
Market Demand-Foreign	-	-	1.2	0.6	1.2	-	4.1	0.6	-	7.6
Capacity	-	0.6	0.6	1.2	5.2	-	1.2	-	-	8.7
Rate of Return	1.2	-	2.3	0.6	2.9	0.6	0.6	-	-	8.1
Financing - External	-	1.7	0.6	-	0.6	-	1.7	-	-	4.7
Financing - Internal	-	2.3	-	.6	1.7	-	0.6	-	-	5.2
Costs - Labour	-	-	-	-	0.6	-	-	-	-	0.6
Costs - Other	-	-	-	-	0.6	0.6	-	0.6	-	1.7
Strikes	-	-	-	-	-	-	0.6	-	-	0.6
Government Regulations	0.6	-	0.6	-	1.7	-	0.6	-	-	3.5
Better Estimates	-	-	-	2.9	1.7	1.7	1.7	6.4	-	14.5
Carry-overs	-	0.6	-	1.7	1.2	-	1.7	1.2	-	6.4
Other Reasons	0.6	0.6	-	1.2	1.7	-	2.3	1.2	-	7.6
Not Specified	-	0.6	-	-	0.6	-	1.7	2.9	-	5.8
TOTAL	4.1	9.3	7.6	12.8	26.2	2.9	23.8	13.4	0.0	100.0

Number of Responses 172

Number of Companies 73

Note: Totals may not add due to rounding.

TABLE 28

TOTAL CAPITAL EXPENDITURES BY PURPOSE

	<u>Number of Reporting Companies</u>	<u>1982</u> (\$ Millions)	<u>1983</u>
Research and Development	77	310.2	333.5
Pollution Abatement	88	556.8	684.2
Working Environment	81	128.3	156.6
Expansion of Facilities - Existing Sites	146	9,688.2	8,880.6
Upgrading & Replacement of Existing Facilities	189	4,371.7	4,563.2
Expansion of Facilities - New Sites	91	8,363.4	8,586.3
Other	60	2,727.9	3,569.9
	<hr/>	<hr/>	<hr/>
<u>TOTAL</u>	<u>230*</u>	<u>26,146.5</u>	<u>26,774.3</u>

Note: Preliminary actual 1982 and intentions 1983.

* As one company may allocate its investment expenditures to various purpose categories, this number is not the sum of the column.

TABLE 29

TOTAL CAPITAL EXPENDITURES BY PURPOSE

(Percent Distribution* of Total)

	<u>Manufacturing</u>		<u>Non- Manufacturing</u>		<u>Total</u>	
	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>
Research and Development	2.0	3.0	1.0	0.9	1.2	1.2
Pollution Abatement	5.8	7.7	1.4	1.6	2.1	2.6
Working Environment	1.4	2.1	0.3	0.3	0.5	0.6
Expansion of Facilities - Existing Sites	23.0	17.3	39.8	36.2	37.1	33.2
Upgrading & Replacement of Existing Facilities	43.7	38.7	11.4	12.9	16.7	17.0
Expansion of Facilities - New Sites	16.5	13.6	35.0	35.6	32.0	32.1
Other	<u>7.5</u>	<u>17.5</u>	<u>11.0</u>	<u>12.5</u>	<u>10.4</u>	<u>13.3</u>
<u>TOTAL</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

* Percentages may not add up to 100% due to rounding.

TABLE 30

CAPITAL EXPENDITURES BY PURPOSE

1983/1982

(Year-to-Year Percent Change in Level of Spending)

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Total</u>
Research and Development	51.5	-9.3	7.5
Pollution Abatement	31.0	16.2	22.8
Working Environment	52.2	-3.5	22.0
Expansion of Facilities - Existing Sites	-25.3	-6.5	-8.4
Upgrading & Replacement of Existing Facilities	-12.0	16.5	4.3
Expansion of Facilities - New Sites	-18.1	4.5	2.6
Other	<u>131.4</u>	<u>17.4</u>	<u>30.8</u>
<u>TOTAL</u>	<u>-0.6</u>	<u>2.9</u>	<u>2.4</u>

* The year-to-year changes in total investment here are different from those reported in Table 2. This is due to differences in coverage.

TABLE 31

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

ATLANTIC REGION

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	448 (7,406)	512 (5,714)	336 (5,555)	14.3 (-22.9)	-34.4 (-2.8)	-6.5 (-13.8)	-6.1 (-24.3)
Non-Manufacturing	1,294 (21,839)	1,807 (24,921)	2,197 (25,667)	39.6 (14.1)	21.5 (2.9)	-12.5 (-8.8)	-14.1 (-15.8)
<u>TOTAL</u>	1,742 (29,245)	2,319 (30,635)	2,534 (31,222)	33.1 (4.7)	9.2 (1.9)	-11.2 (-9.8)	-13.4 (-17.5)

Note: Actual 1981, preliminary actual 1982, and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the October 1982 and April 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Foreign Majority Owned</u>				
Manufacturing	-16.9 (-27.2)	-44.3 (25.5)	- 0.4 (-16.0)	-36.0 (-16.9)
Non-Manufacturing	31.9 (17.4)	47.8 (11.2)	-20.9 (-10.3)	-0.9 (- 6.8)
<u>TOTAL</u>	13.4 (-0.8)	22.2 (15.5)	-16.1 (-12.1)	-7.4 (-10.4)
<u>Domestic Majority Owned</u>				
Manufacturing	42.3 (-18.9)	-29.2 (-26.7)	-9.4 (-11.8)	15.3 (-32.9)
Non-Manufacturing	42.4 (13.0)	12.7 (0.3)	-9.2 (-8.3)	-19.2 (-18.6)
<u>TOTAL</u>	42.4 (7.1)	4.4 (-3.6)	-9.2 (-8.8)	-15.8 (-20.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 33

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Total Government Majority Owned</u>	42.3 (18.7)	23.2 (6.2)	-8.1 (-6.7)	-11.6 (-19.2)
<u>Total Private Majority Owned</u>	27.2 (-1.7)	-0.9 (-0.6)	-13.3 (-11.4)	-15.0 (-16.4)
Manufacturing	9.0 (-24.7)	-37.2 (-0.8)	-3.0 (-13.8)	-9.9 (-24.5)
Non-Manufacturing	40.2 (11.0)	19.4 (-0.4)	-18.1 (-10.5)	-16.4 (-12.9)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 34

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE ATLANTIC REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	50.0 (34.6)	28.5 (16.0)	21.4 (49.3)	73.3 (55.8)	20.0 (27.7)	6.6 (16.4)
Export Sales	33.3 (25.5)	33.3 (22.8)	33.3 (51.6)	60.0 (43.7)	20.0 (37.1)	20.0 (19.1)
Profits	42.8 (21.0)	14.2 (12.0)	42.8 (66.9)	46.6 (51.2)	26.6 (26.7)	26.6 (21.9)
Corporate Employment in Canada	14.2 (13.9)	35.7 (27.0)	50.0 (59.0)	13.3 (15.6)	73.3 (56.5)	13.3 (27.8)
Corporate Financial Conditions	21.4 (14.0)	35.7 (31.5)	42.8 (54.3)	33.3 (37.0)	40.0 (41.4)	26.6 (21.5)
Canadian Business Conditions	8.3 (2.6)	8.3 (10.0)	83.3 (87.3)	30.7 (38.8)	38.4 (37.1)	30.7 (24.0)
Foreign Investment Climate	- (14.0)	50.0 (41.4)	50.0 (44.5)	40.0 (31.0)	40.0 (53.4)	20.0 (15.5)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 15 firms in the Survey panel with headquarters in the Atlantic Region.

TABLE 35

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

QUEBEC REGION

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	1,134 (7,406)	962 (5,714)	1,200 (5,555)	-15.2 (-7.6)	-22.9 (-2.8)	-11.7 (-13.8)	-20.4 (-24.3)
Non-Manufacturing	3,833 (21,839)	4,175 (24,921)	4,087 (25,667)	8.9 (14.1)	-2.1 (2.9)	-3.0 (-8.8)	-23.0 (-15.8)
<u>TOTAL</u>	4,967 (29,245)	5,137 (30,635)	5,287 (31,222)	3.4 (4.7)	2.9 (1.9)	-4.8 (-9.8)	-22.4 (-17.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the April 1982 and October 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 36

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Foreign Majority Owned</u>				
Manufacturing	27.4 (-27.2)	101.9 (25.5)	-12.9 (-16.0)	-12.7 (-16.9)
Non-Manufacturing	11.0 (17.4)	30.8 (11.2)	-15.2 (-10.3)	-0.8 (- 6.8)
<u>TOTAL</u>	19.3 (-0.8)	69.0 (15.5)	-14.0 (-12.1)	-8.3 (-10.4)
<u>Domestic Majority Owned</u>				
Manufacturing	-27.4 (-18.9)	-13.9 (-26.7)	-11.0 (-11.8)	-27.8 (-32.9)
Non-Manufacturing	8.7 (13.0)	-4.5 (0.3)	-2.1 (-8.3)	-24.7 (-18.6)
<u>TOTAL</u>	1.6 (7.1)	-5.8 (-3.6)	-3.4 (-8.8)	-25.1 (-20.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 37

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Total Government Majority Owned</u>	4.7 (18.7)	-5.5 (6.2)	-1.6 (-6.7)	-26.3 (-19.2)
<u>Total Private Majority Owned</u>	1.5 (-1.7)	15.0 (-0.6)	-9.1 (-11.4)	-17.2 (-16.4)
Manufacturing	-13.8 (-24.7)	35.7 (-0.8)	-11.6 (-13.8)	-19.5 (-24.5)
Non-Manufacturing	15.0 (11.0)	1.3 (-0.4)	-7.4 (-10.5)	-15.0 (-12.9)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 38

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE QUEBEC REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	41.6 (34.6)	8.3 (16.0)	50.0 (49.3)	55.5 (55.8)	22.2 (27.7)	22.2 (16.4)
Export Sales	35.7 (25.5)	7.1 (22.8)	57.1 (51.6)	39.2 (43.7)	32.1 (37.1)	28.5 (19.1)
Profits	19.4 (21.0)	11.1 (12.0)	69.4 (66.9)	38.8 (51.2)	30.5 (26.7)	30.5 (21.9)
Corporate Employment in Canada	16.6 (13.9)	27.7 (27.0)	55.5 (59.0)	8.3 (15.6)	52.7 (56.5)	38.8 (27.8)
Corporate Financial Conditions	12.1 (14.0)	27.2 (31.5)	60.6 (54.3)	33.3 (37.0)	33.3 (41.4)	33.3 (21.5)
Canadian Business Conditions	- (2.6)	11.7 (10.0)	88.2 (87.3)	26.4 (38.8)	38.2 (37.1)	35.2 (24.0)
Foreign Investment Climate	5.0 (14.0)	35.0 (41.4)	60.0 (44.5)	25.0 (31.0)	40.0 (53.4)	35.0 (15.5)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 41 firms in the Survey panel with headquarters in the Quebec Region.

TABLE 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

ONTARIO REGION

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	3,374 (7,406)	2,453 (5,714)	2,326 (5,555)	-27.3 (-22.9)	-5.2 (-2.8)	-13.5 (-13.8)	-19.7 (-24.3)
Non-Manufacturing	4,406 (21,839)	5,135 (24,921)	5,569 (25,667)	16.5 (14.1)	8.4 (2.9)	-8.2 (-8.8)	-6.3 (-15.8)
<u>TOTAL</u>	7,780 (29,245)	7,588 (30,635)	7,895 (31,222)	-2.5 (4.7)	4.0 (1.9)	-10.0 (-9.8)	-10.7 (-17.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the April 1982 and October 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 40

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	Year-to-Year Percent Change		Between Survey Revisions	
	1982/1981 (%)	1983/1982 (%)	1982 (%)	1983 (%)
<u>Foreign Majority Owned</u>				
Manufacturing	-38.9 (-27.2)	36.4 (25.5)	-15.0 (-16.0)	-3.8 (-16.9)
Non-Manufacturing	43.9 (17.4)	15.8 (11.2)	-17.6 (-10.3)	0.2 (- 6.8)
<u>TOTAL</u>	-19.8 (-0.8)	27.8 (15.5)	-16.1 (-12.1)	-2.3 (-10.4)
<u>Domestic Majority Owned</u>				
Manufacturing	-14.5 (-18.9)	-38.2 (-26.7)	-12.2 (-11.8)	-37.7 (-32.9)
Non-Manufacturing	12.7 (13.0)	7.1 (0.3)	-6.3 (-8.3)	-7.4 (-18.6)
<u>TOTAL</u>	4.8 (7.1)	-3.7 (-3.6)	-7.8 (-8.8)	-13.8 (-20.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 41

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Total Government Majority Owned</u>	23.8 (18.7)	9.2 (6.2)	-5.8 (-6.7)	-4.1 (-19.2)
<u>Total Private Majority Owned</u>	-13.7 (-1.7)	0.9 (-0.6)	-12.3 (-11.4)	-14.5 (-16.4)
Manufacturing	-30.3 (-24.7)	-3.0 (-0.8)	-13.8 (-13.8)	-19.9 (-24.5)
Non-Manufacturing	11.3 (11.0)	4.5 (-0.4)	-10.9 (-10.5)	-9.2 (-12.9)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 42

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE ONTARIO REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	29.3 (34.6)	15.5 (16.0)	55.1 (49.3)	58.2 (55.8)	23.4 (27.7)	18.2 (16.4)
Export Sales	29.6 (25.5)	21.9 (22.8)	48.3 (51.6)	42.2 (43.7)	35.5 (37.1)	22.2 (19.1)
Profits	21.0 (21.0)	11.4 (12.0)	67.5 (66.9)	57.1 (51.2)	23.2 (26.7)	19.6 (21.9)
Corporate Employment in Canada	12.8 (13.9)	24.7 (27.0)	62.3 (59.0)	16.3 (15.6)	54.3 (56.5)	29.3 (27.8)
Corporate Financial Conditions	16.0 (14.0)	33.9 (31.5)	50.0 (54.3)	39.0 (37.0)	45.4 (41.4)	15.4 (21.5)
Canadian Business Conditions	2.6 (2.6)	9.5 (10.0)	87.8 (87.3)	42.1 (38.8)	34.2 (37.1)	23.6 (24.0)
Foreign Investment Climate	18.1 (14.0)	45.4 (41.4)	36.3 (44.5)	37.8 (31.0)	53.0 (53.4)	9.0 (15.5)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 137 firms in the Survey panel with headquarters in the Ontario Region.

TABLE 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

PRAIRIE REGION

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	725 (7,406)	592 (5,714)	642 (5,555)	-18.4 (-22.9)	8.5 (-2.8)	-13.3 (-13.8)	-33.6 (-24.3)
Non-Manufacturing	7,432 (21,839)	8,075 (24,921)	8,636 (25,667)	8.6 (14.1)	6.9 (2.9)	-9.8 (-8.8)	-12.0 (-15.8)
TOTAL	8,157 (29,245)	8,667 (30,635)	9,278 (31,222)	6.2 (4.7)	7.0 (1.9)	-10.0 (-9.8)	-14.0 (-17.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the April 1982 and October 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

MANITOBA & SASKATCHEWAN

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	85 (7,406)	56 (5,714)	61 (5,555)	-33.3 (-22.9)	8.0 (-2.8)	-12.9 (-13.8)	-33.6 (-24.3)
Non-Manufacturing	1,413 (21,839)	1,450 (24,921)	1,593 (25,667)	2.6 (14.1)	9.9 (2.9)	+19.2 (-8.8)	-25.1 (-15.8)
<u>TOTAL</u>	1,498 (29,245)	1,506 (30,635)	1,654 (31,222)	0.6 (4.7)	9.8 (1.9)	-19.0 (-9.8)	-25.4 (-17.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the April 1982 and October 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

ALBERTA

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	554 (7,406)	462 (5,714)	501 (5,555)	-16.7 (-22.9)	8.4 (-2.8)	-12.0 (-13.8)	-34.9 (-24.3)
Non-Manufacturing	5,226 (21,839)	5,835 (24,921)	6,152 (25,667)	11.6 (14.1)	5.4 (2.9)	-5.2 (-8.8)	-7.6 (-15.8)
<u>TOTAL</u>	5,780 (29,245)	6,297 (30,635)	6,653 (31,222)	8.9 (4.7)	5.6 (1.9)	-5.8 (-9.8)	-10.4 (-17.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the April 1982 and October 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 46

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Foreign Majority Owned</u>				
Manufacturing	-17.1 (-27.2)	12.3 (25.5)	-8.9 (-16.0)	-26.8 (-16.9)
Non-Manufacturing	13.5 (17.4)	6.5 (11.2)	-9.9 (-10.3)	-7.1 (- 6.8)
<u>TOTAL</u>	9.4 (-0.8)	7.1 (15.5)	-9.8 (-12.1)	-9.7 (-10.4)
<u>Domestic Majority Owned</u>				
Manufacturing	-20.4 (-18.9)	2.7 (-26.7)	-19.3 (-11.8)	-42.5 (-32.9)
Non-Manufacturing	5.7 (13.0)	7.2 (0.3)	-9.7 (-8.3)	-14.9 (-18.6)
<u>TOTAL</u>	4.1 (7.1)	7.0 (-3.6)	-10.2 (-8.8)	-16.6 (-20.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 47

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Total Government Majority Owned</u>	21.7 (18.7)	2.1 (6.2)	-13.2 (-6.7)	-28.4 (-19.2)
<u>Total Private Majority Owned</u>	1.7 (-1.7)	8.7 (-0.6)	-8.9 (-11.4)	-7.9 (-16.4)
Manufacturing	-19.1 (-24.7)	8.6 (-0.8)	-13.5 (-13.8)	-33.8 (-24.5)
Non-Manufacturing	4.4 (11.0)	8.7 (-0.4)	-8.4 (-10.5)	-4.2 (-12.9)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 48

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Foreign Majority Owned</u>				
Manufacturing	-14.3 (-27.2)	15.9 (25.5)	-7.7 (-16.0)	-26.0 (-16.9)
Non-Manufacturing	19.2 (17.4)	5.7 (11.2)	-8.2 (-10.3)	-3.3 (-6.8)
<u>TOTAL</u>	14.7 (-0.8)	6.7 (15.5)	-8.2 (-12.1)	-6.4 (-10.4)
<u>Domestic Majority Owned</u>				
Manufacturing	-21.9 (-18.9)	-9.7 (-26.7)	-21.1 (-11.8)	-52.5 (-32.9)
Non-Manufacturing	4.8 (13.0)	5.0 (0.3)	-2.0 (-8.3)	-11.6 (-18.6)
<u>TOTAL</u>	3.3 (7.1)	4.4 (-3.6)	-3.0 (-8.8)	-14.4 (-20.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 49

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Total Government Majority Owned</u>	30.2 (18.7)	-6.6 (6.2)	-9.9 (-6.7)	-36.6 (-19.2)
<u>Total Private Majority Owned</u>	5.2 (-1.7)	8.2 (-0.6)	-4.8 (-11.4)	-3.0 (-16.4)
Manufacturing	-16.7 (-24.7)	8.4 (-0.8)	-12.0 (-13.8)	-34.9 (-24.5)
Non-Manufacturing	8.0 (11.0)	8.2 (-0.4)	-4.1 (-10.5)	-1.9 (-12.9)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 50

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE PRAIRIE REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	50.0 (34.6)	22.5 (16.0)	27.5 (49.3)	52.5 (55.8)	37.5 (27.7)	10.0 (16.4)
Export Sales	13.3 (25.5)	50.0 (22.8)	36.6 (51.6)	46.6 (43.7)	46.6 (37.1)	6.6 (19.1)
Profits	21.9 (21.0)	19.5 (12.0)	58.5 (66.9)	51.2 (51.2)	34.1 (26.7)	14.6 (21.9)
Corporate Employment in Canada	19.0 (13.9)	40.4 (27.0)	40.4 (59.0)	16.6 (15.6)	59.5 (56.5)	23.8 (27.8)
Corporate Financial Conditions	16.6 (14.0)	38.0 (31.5)	45.2 (54.3)	33.3 (37.0)	47.6 (41.4)	19.0 (21.5)
Canadian Business Conditions	4.8 (2.6)	17.0 (10.0)	78.0 (87.3)	39.0 (38.8)	39.0 (37.1)	21.9 (24.0)
Foreign Investment Climate	17.3 (14.0)	39.1 (41.4)	43.4 (44.5)	17.3 (31.0)	60.8 (53.4)	21.7 (15.5)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 53 firms in the Survey panel with headquarters in the Prairie Region.

TABLE 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1981-1983

B.C. AND NORTHERN REGION

(Current \$ Millions)

	1981	1982	1983	Year-to-Year Percent Change		Between Survey Revisions (%)	
				1982/1981	1983/1982	1982	1983
Manufacturing	1,091 (7,406)	650 (5,714)	615 (5,555)	-40.5 (-22.9)	-20.6 (-2.8)	-8.5 (-13.8)	-41.5 (-24.3)
Non-Manufacturing	2,874 (21,839)	3,631 (24,921)	3,927 (25,667)	26.3 (14.1)	8.1 (2.9)	-10.5 (-8.8)	-24.0 (-15.8)
<u>TOTAL</u>	3,965 (29,245)	4,280 (30,635)	4,442 (31,222)	7.9 (4.7)	3.9 (1.9)	-10.2 (-9.8)	-26.5 (-17.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

These are dollar amounts reported for the years 1981-83 from the October 1982 Survey by firms who reported in both the April 1982 and October 1982 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 52

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)		(%)	
<u>Foreign Majority Owned</u>				
Manufacturing	-53.9 (-27.2)	-7.7 (25.5)	-8.4 (-16.0)	-51.6 (-16.9)
Non-Manufacturing	9.3 (17.4)	6.3 (11.2)	9.4 (-10.3)	9.3 (- 6.8)
<u>TOTAL</u>	3.0 (-0.8)	5.0 (15.5)	7.5 (-12.1)	0.7 (-10.4)
<u>Domestic Majority Owned</u>				
Manufacturing	-35.6 (-18.9)	-24.1 (-26.7)	-8.6 (-11.8)	-37.3 (-32.9)
Non-Manufacturing	38.9 (13.0)	9.1 (0.3)	-19.1 (-8.3)	-35.2 (-18.6)
<u>TOTAL</u>	14.7 (7.1)	3.1 (-3.6)	-17.4 (-8.8)	-35.5 (-20.5)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 53

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1982/1981</u>	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)	(%)	(%)	(%)
<u>Total Government Majority Owned</u>	56.1 (18.7)	15.8 (6.2)	-4.6 (-6.7)	-19.4 (-19.2)
<u>Total Private Majority Owned</u>	-6.8 (-1.7)	-2.4 (-0.6)	-12.8 (-11.4)	-30.3 (-16.4)
Manufacturing	-40.5 (-24.7)	-20.6 (-0.8)	-8.5 (-13.8)	-41.5 (-24.5)
Non-Manufacturing	12.1 (11.0)	3.0 (-0.4)	-14.0 (-10.5)	-27.1 (-12.9)

Note: Actual 1981, preliminary actual 1982 and intentions 1983.

For comparison purposes, figures for Canada are provided in round brackets.

TABLE 54

EXPECTATIONS FOR 1982 AND 1983
BY COMPANIES HEADQUARTERED IN THE B.C. AND NORTHERN REGION*

(Percent Distribution of Response)

	1982/81			1983/82		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	17.3 (34.6)	13.0 (16.0)	69.5 (49.3)	34.7 (55.8)	47.8 (27.7)	17.3 (16.4)
Export Sales	8.3 (25.5)	8.3 (22.8)	83.3 (51.6)	39.1 (43.7)	47.8 (37.1)	13.0 (19.1)
Profits	11.5 (21.0)	3.8 (12.0)	84.6 (66.9)	42.3 (51.2)	26.9 (26.7)	30.7 (21.9)
Corporate Employment in Canada	7.6 (13.9)	7.6 (27.0)	84.6 (59.0)	19.2 (15.6)	57.6 (56.5)	23.0 (27.8)
Corporate Financial Conditions	- (14.0)	15.3 (31.5)	84.6 (54.3)	38.4 (37.0)	26.9 (41.4)	34.6 (21.5)
Canadian Business Conditions	- (2.6)	- (10.0)	100.0 (87.3)	42.3 (38.8)	46.1 (37.1)	11.5 (24.0)
Foreign Investment Climate	6.6 (14.0)	33.3 (41.4)	60.0 (44.5)	26.6 (31.0)	66.6 (53.4)	6.6 (15.5)

Note: For comparison purposes, figures for Canada are provided in round brackets.

* There are 31 firms in the Survey panel with headquarters in the B.C. and Northern Region.

APPENDIX

Survey of Business Capital Investment -

Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data to avoid the variation in the number of firms reporting in each year and in different surveys. Matching allows one to make consistent comparisons, since only the data for those companies which have reported in the last two surveys for specified years, e.g., 1981, 1982 and 1983 are used. This is referred to as a 2 survey - 3 year matched panel.

The above system of matching is applied separately for each of the investment categories specified on a regional table. Hence it is clear that the regional totals obtained on a matched sample basis will not necessarily add to the matched Canada total.

2) The problem of companies in the Survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	<u>1982</u>	<u>1983</u>
	(Current \$ Billions)	
Totals as per Table 1	30.64	31.22
Amounts reported by region		
Atlantic	2.32	2.53
Quebec	5.14	5.29
Ontario	7.59	7.90
Prairies	8.67	9.28
B.C. & Northern Region	4.28	4.44
Unallocated Region*	<u>0.63</u>	<u>0.61</u>
TOTAL	<u>28.63</u>	<u>30.05</u>
Difference between totals	2.01	1.17
Portion of difference explained by "matching"	1.51	.79
Portion of difference explained by non-response	.50	.38

Note: Preliminary actual 1982 and intentions 1983.

* Includes investment which was not specifically allocated to a particular region because it was uncertain which province or region it would take place in and expenditures on movable machinery and equipment which are not allocated to a specific region, i.e., rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than on an establishment basis would definitely affect the sectoral breakdown of both the regional and Canada distribution, i.e., whether outlays were categorized as coming under manufacturing, resource industries, etc. Therefore, the IT&C/DREE sectoral coverage cannot be properly related to the Statistics Canada Private and Public Investment in Canada Survey (PPI) because investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's mainline of business.

4) The following table provides a breakdown of the number of companies reporting to the IT&C/DREE Survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the Survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>CANADA</u>
Mfg.	39	77	108	61	57	144
Non-Mfg.	40	46	56	79	60	122
TOTAL	79	123	164	140	117	266

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REPORT OF THE
IT&C/REE CAPITAL INVESTMENT
INTENTIONS SURVEY
CONDUCTED IN APRIL 1983

June, 1983
Surveys and Analysis
Statistical and Data Base Services
Department of Industry, Trade & Commerce/
Regional Economic Expansion
Ottawa

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We are grateful to the many business executives who entrusted their forward plans to us and who took the time to discuss relevant matters with us, thereby making the IT&C/REE Capital Investment Intentions Survey possible.

Our appreciation is also extended to those officials of the Bank of Canada; the Federal Departments of Energy, Mines and Resources and Finance; the Industry Department of the Province of Manitoba; and the Industry and Policy Planning branches and the Regional Offices of the Department of Industry, Trade and Commerce/Regional Economic Expansion; who assisted us with the Survey.

Mr. A. Skahen, Analyst, Surveys and Analysis Group, will be pleased to answer any questions which arise from this report.

Nancy Chinfen,
Director,
Statistical and Data Base Services,
Department of Industry, Trade
and Commerce/Regional Economic
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PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce/Regional Economic Expansion covering some 280 large corporations which was carried out in April and May 1983. The survey does not include smaller firms, nor investments in housing, agriculture or fishing. Direct government outlays are also excluded.

The data provided in this report should only be regarded as the investment intentions at a given point in time, of a panel of large firms; thus the data do not provide the investment picture for the economy as a whole. Nevertheless, the data presented here are useful as an indication of those changes that have occurred in planned outlays since the previous survey, and as an indication of the factors which have caused these changes. The survey results also provide a breakout of investment intentions at a fairly disaggregated level.

EXECUTIVE SUMMARY

The Capital Investment Intentions Survey of the Department of Industry, Trade and Commerce/Regional Economic Expansion conducted in April and May 1983 covers 280 large corporations and provides a reading on business capital spending for 1983. Several highlights from the current report are given below.

- i) The Survey indicates that the 1983 investment plans of reporting companies have softened further in the past six months.
- ii) The April 1983 Survey suggests that capital spending by these responding companies in 1983 may decline by about 3 percent. A similar Survey last October indicated an increase of 1 percent was expected for 1983.
- iii) The proportion of capital spending intended for 1983 directed to research and development (1.3 percent) is somewhat higher than the 1.1 percent indicated for 1982.
- iv) Compared to a similar Survey conducted in October 1982 this recent Survey shows a 12 percent reduction in the level of investment plans for the 1984-1987 period. Companies presently indicate a total of about \$90 billion (current dollars) in investment plans for the medium term.
- v) On a regional basis, all regions with the exception of the Prairies record reduced spending for 1983 compared with 1982 levels. The British Columbia and Atlantic regions and Ontario show the larger year-to-year decreases. The Prairie region investment is expected to increase by 1 percent.

- vi) The spending of domestic majority-owned firms on new plant and equipment in 1983 is anticipated to decrease by 6 percent compared with an increase of 6 percent for the spending of foreign-owned firms.
- vii) Private firms show a 9 percent decrease in capital spending plans for 1983 as compared with a 9 percent advance shown by public companies.
- viii) A total of about \$11 billion in capital investments that was not included by the large companies in their spending plans was, nevertheless, thought to hold potential for introduction over the medium term.
- ix) One-half of the survey panel reported that they expect their profit level in 1983 to be higher than 1982 levels while about one-third expect a lower profit performance.
- x) Factors mentioned most often as affecting outlays were expected economic conditions in Canada, expected cash flow, government policies and expected sales.

HIGHLIGHTS OF THE APRIL 1983 SURVEY

HIGHLIGHTS OF THE APRIL 1983 SURVEY

The Aggregate Picture

The April 1983 Survey* provides an indication of planned investment for 1983 based on conditions at the time of the survey. The Survey results indicate that the 1983 investment plans of some of Canada's larger firms have softened considerably since the Fall of 1982.

Last October the approximately 280 large firms who responded to our Survey expected that their capital spending in 1983 would increase by about 1 percent in current dollars over 1982 levels (unless otherwise stated dollar amounts and percentage changes in this report are in or based on current dollars). These same firms now indicate a decrease in 1983 of 3 percent.

It should be reiterated that the Survey does not cover investments in housing, agriculture and direct government outlays. As well, the spending patterns of the larger corporations may differ from those of smaller companies and industry sectors not covered by the Survey, and as such, the results cannot be extended directly to the total business sector. That is to say that this reported decline for 1983 is only for those large companies included in the survey panel and, thus, does not reflect the spending pattern of all businesses.

It should also be noted that while the Survey was conducted mainly during the month of April 1983, the results presented here include some returns received as late as May 25, 1983.

* See appendix for details on the nature and coverage of the Survey.

Business capital investment in 1983 will continue to decline in real terms but the decrease is expected to be smaller than the one experienced in 1982. These declines follow three years of exceptional strength in business capital spending activities (1979 to 1981) when real business spending (excluding housing) on new plant and equipment increased by 30 percent over the three years (on a National Accounts basis) while real Gross National Product grew by 7.7 percent. There currently exists excess capacity in the Canadian economy which helps to explain why the Survey results indicate weak investment spending. In addition, recent poor profit performance and weak demand have also contributed to the weakness in business investment outlays. About half the companies indicate an improved profit outlook for 1983, however, companies may tend to reduce debt rather than investing in new plant and equipment.

The National Accounts recently reported that real business spending on new plant and equipment (excluding housing) declined by 11.2 percent in 1982. This followed real increases of 7.6 percent for 1981, 7.4 percent for 1980 and 12.7 percent for 1979. It is anticipated that actual or real business spending (excluding housing) will decline in 1983: possibly in the range of 8-10 percent.

The responding companies indicated that their level of spending on new plant and equipment in 1983 would be about \$28.6 billion in current dollars, a decrease of about \$0.9 billion over 1982. Increases by transportation equipment companies, food and beverage companies, and transportation and storage companies were more than offset by the year-to-year reductions reported by forest products companies, oil and gas pipelines, primary metal companies and chemical companies (Table 1).

Outlook for Manufacturing

Capital spending by reporting manufacturing corporations on new plant and equipment for 1983 is expected to be about \$4.7 billion in current dollars, a 13 percent drop from the revised 1982 level of spending. This current level of spending represents a drastic reduction from that expected for 1983 in the October 1982 Survey when only a 5 percent drop was expected. This reduced expectation reflects the adjustments made by the forest products, primary metals and chemical companies.

The transportation equipment and food and beverage industries show relatively strong spending plans for 1983. Spending plans of both these industry groupings are expected to advance by about 44 percent (Tables 1 and 2).

During 1983, the manufacturing companies in the Survey panel expect to operate at 78 percent capacity, up from 76 percent in 1982.

Outlook for Non-Manufacturing

The spending plans of respondents in the non-manufacturing sector for 1983 are expected to be about \$23.8 billion in current dollars, a decrease of about 1 percent from the revised 1982 spending level. Notable strength is apparent in the transportation and storage industry. Oil and gas companies, as well as utilities and trade, finance and other commercial companies, show modest advances. Spending plans of oil and gas pipelines, communication and mining companies for 1983 all show anticipated decreases (Tables 1 and 2).

Cost of Capital Goods

The average cost adjustment factor or inflation rate used, in this current Survey, by the large firms in their capital budgets for 1983 was about 9.6 percent over the cost level for 1982; this represents a decrease from the 10.5 percent used for 1983 in the October 1982 Survey (Table 7).

On an industry basis, it is noted that chemical and primary metal companies are expecting larger cost increases in the 1983-1986 period than the manufacturing sector as a whole. Within the non-manufacturing sector it is electric utilities that expect the larger cost increases.

Public Compared to Private Capital Spending

Capital spending in the public or government segment of the large firm panel (i.e. crown corporations) is expected to increase by 8.6 percent in 1983, while the private sector expects a decline of 9.4 percent (Table 11). The public portion represents 39 percent of the total capital spending for 1983 (Table 10).

For 1982, the public and private sectors indicated downward revisions in the level of spending reported earlier, 8.4 percent and 3.5 percent respectively. For 1983, the public sector indicated about a 6 percent (or \$0.7 billion) downward revision between the surveys while the private sector recorded an 11 percent reduction (or \$2.2 billion).

On a regional basis the government portion of total capital investments in 1983 ranges from 26 percent in the Prairies to

60 percent in Quebec (Table 10). Within the public sector, the Prairie and Atlantic regions stand out as areas of strength in 1983 with expected year-over-year advances of 17 and 16 percent respectively (Table 11). For 1982, within this sector, the reported levels of investment were reduced from earlier estimates in all areas with the exception of the British Columbia and Northern region. For 1983, the expected spending in the Atlantic and British Columbia and Northern regions and Ontario have been lowered substantially from that reported in the October 1982 Survey.

For private sector investment in 1983, all regions are expected to experience year-to-year declines, the Atlantic region the largest with an anticipated year-to-year decline of 20 percent; the next being the B.C. and Northern region with a decline of some 17 percent. For 1982, the reported levels of spending were reduced from those reported earlier in all but the Atlantic region. For 1983, the reported levels of spending were reduced from those reported in October 1982 in all regions.

Foreign versus Domestic Companies

Foreign majority-owned firms plan an increase of 5.5 percent in their capital spending for 1983 compared with a decrease of about 6.4 percent for the domestic majority-owned firms (Table 9). Domestic majority-owned firms represent approximately 70 percent of total capital spending reported for 1983 by the Survey panel while the foreign majority-owned firms account for the remainder (Table 8).

Domestic majority-owned firms' spending intentions on plant and equipment for 1983 have been reduced by 6.6 percent (\$1.4 billion) between the October 1982 and April 1983 Surveys. Revisions to

investment intentions by foreign majority-owned firms in the Survey panel for 1983 amounted to a reduction of 15.5 percent or \$1.5 billion (Table 9).

Within the domestic sector, only the Prairie region shows a year-to-year advance for 1983 as all other areas record declines: the larger ones are anticipated for the B.C. and Northern region and Ontario. For foreign sector spending in 1983, Quebec and Ontario show large increases.

On a regional basis, downward revisions are prevalent for 1982 by both domestic and foreign majority-owned firms, the only exceptions being domestic majority-owned firms spending in the Atlantic and British Columbia and Northern regions.

For 1983 the domestic and foreign majority-owned firms spending show downward revisions in all regions since the October 1982 Survey (Table 9): and the proportion of investment associated with domestic majority-owned firms ranges from a high of 85 percent in Quebec for 1983 to 63 percent in the Prairie region (Table 8).

Tentative Medium Term Investments

A total of \$11 billion in capital investments was not included by the large corporations in their spending plans, but nevertheless was thought to hold potential for introduction over the medium term. Regionally, firms with headquarters in Ontario reported about \$3.7 billion or 33 percent of the total while Prairie-based firms reported \$6.1 billion or 55 percent of the total tentative investments (Table 14).

Fifty-seven percent of the \$11 million under consideration were reported by oil and gas companies, 10 percent by primary metal companies, and 8 percent by forest product companies.

Factors Affecting Outlays

As was the case in October 1982, expected economic conditions in Canada was the factor mentioned most often during the April 1983 survey as affecting the companies' current and future plans (Table 15). Cash flow was also a major concern of the companies. Other concerns were government policies and expected sales in Canada and abroad. Cost of funds (interest rates) was mentioned less frequently in the April 1983 Survey than in the October 1982 Survey as affecting the companies' investment plans.

Reasons for and Types of Changes in Investment 1982

An upward revision in spending for 1983 was reported by about 29 percent of firms, while 55 percent reported downward revisions and 16 percent indicated no change from the October 1982 Survey.

Domestic and foreign market demand and internal (cash flow) financial considerations, as well as better estimates, were identified as the major factors causing firms to revise their 1983 spending plans downward. Firms who reported upward revisions indicated that better estimates, domestic and foreign market demand and carry-overs were some of the factors in their budget decisions. For further details see Tables 18-27.

Purpose of Investment

Of the total corporations in the Survey panel, 260 reported the breakdown of their capital spending by purpose; thus, about 90 percent of the total reported capital spending for 1983 was allocated to the various purpose categories. Categories generally fall into two

basic groups, namely those which add directly to production facilities, and those which do not, the latter group including research and development, pollution abatement and working environment, the former group including expansion of facilities at existing sites, upgrading and replacement and new facilities at new sites.

The larger portions of capital spending continue to be directed to the expansion of existing facilities and to new facilities at new sites. The proportion of capital spending directed to research and development at 1.3 percent in 1983 is somewhat higher than the 1.1 percent indicated for 1982. The proportion related to pollution abatement remains relatively stable at 1.8 percent in 1983. For further details, see Tables 28, 29 and 30.

Medium Term Investment

A comparison of the results of the current Survey with that of October 1982 shows that earlier investment plans for the 1984-1987 period in Canada as a whole shows a 12 percent reduction. This adjustment is attributable mostly to the non-manufacturing sector, which accounts for about 95 percent of this decrease. All companies presently indicate a total of about \$90 billion (current dollars) in investment plans for the medium term (1984-1987). Increased spending intentions for the medium term reported by companies in primary metals, food and beverages and transportation equipment were more than offset by reduced levels of spending reported by oil and gas companies and pipelines, electric utilities, communications and chemical companies.

On a regional basis, the British Columbia and Northern and Prairie regions show the larger between-Survey downward revisions for the 1984-1987 period. See Tables 12, 13, 16 and 17 for further details.

Regional Distribution of Business Investment

Spending patterns reported in the Survey reflect developments in the various regions in broad terms only and therefore should be interpreted with some caution.

For 1983 as compared to 1982 a larger proportion of capital expenditures on new production facilities was designated to all regions but the British Columbia and Northern region and unallocated, which are receiving smaller shares. Also, from 1983 on, the proportional share of investment directed to the Atlantic region is increasing while that of Quebec is declining.

The regional percentage distribution of total business capital investment over the medium term, as reported by the firms surveyed in April 1983, is presented in the following table:

<u>Regions</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Atlantic	7.6	8.4	8.9	10.2	11.4	11.8
Quebec	18.8	19.3	18.5	17.8	16.2	16.2
Ontario	17.1	17.8	16.9	18.7	17.8	17.6
Prairies	30.2	32.4	32.5	31.4	31.5	33.3
BC & Northern	17.0	15.2	16.3	15.7	15.6	15.1
Unallocated*	9.3	6.9	6.9	6.2	7.5	6.0

* Includes investment which was not specifically allocated to a particular region because it was uncertain which region it would take place in; and expenditures on moveable machinery and equipment, i.e., rail rolling stock, ships, etc.

Regional Perspectives

Atlantic Region (Tables 31-34)

Total spending on plant and equipment in 1983 in the Atlantic region by companies in the Survey panel is expected to be about \$2.3 billion. (As noted earlier, dollar levels and percent changes are based on current dollars.) This represents a decrease of 6.5 percent from the level of \$2.5 billion reported for 1982 (Table 31). Compared with the October 1982 Survey returns, these levels of investment represent revisions of 0.4 percent for 1982 and -12.0 percent for 1983.

Investment spending in 1983 by the manufacturing sector in the Atlantic region is expected to decline by about 33 percent, to a level of \$338 million. Within this sector the primary metals and food and beverages sectors register percentage increases for 1983 while forest products and transportation equipment report declines.

For the non-manufacturing sector in the Atlantic region, capital spending for 1983 is expected to reach \$1,961 million, up 0.3 percent over 1982. The largest year-to-year advances for 1983 are reported by oil and gas companies and trade, finance and other commercial companies. Mining companies investment is expected to drop in the Atlantic region by about 45 percent. Utilities are also recording a year-to-year decline.

Crown corporations, which account for 46 percent of total capital spending in the Atlantic region for 1983 (Table 10), have revised their 1983 spending plans downward by 11.9 percent, while the private sector recorded a 12.1 percent decrease in investment plans for 1983, since the last Survey. For 1982, crown corporations recorded a

downward revision of 14 percent in its level of spending from October levels while private firms reported an 11 percent upward revision. (Table 33).

Foreign majority-owned firms expect to decrease spending on new plant and equipment by 14.7 percent in the Atlantic provinces in 1983 while domestic majority-owned firms expect spending to drop by 3.8 percent from 1982 levels. Domestic majority-owned firms show a downward revision of 4.3 percent from the previous Survey in the level of spending expected for 1983, due to the revised levels of spending by non-manufacturing firms. Similarly, foreign majority-owned firms show a reduction (30.9 percent) in intended outlays for 1983 which is also concentrated in the non-manufacturing sector (Table 32).

Quebec (Tables 35-38)

The April 1983 Survey shows that the large corporations investing in new plant and equipment in Quebec expect to spend \$4.8 billion in 1983, a decrease of 1.5 percent from the revised 1982 level of \$4.9 billion. This level of spending for 1983 represents a reduction of 8.1 percent from that reported in October 1982 (Table 35).

Capital spending by the manufacturing sector in Quebec is expected to reach about \$1.0 billion in 1983, 13.9 percent higher than the 1982 level. The primary metals, food and beverages, and transportation equipment sectors indicated the strongest year-over-year percentage increases while the forest products sector showed a decline.

The 5 percent decrease in the spending plans in 1983 for the Quebec non-manufacturing sector is somewhat higher than the national

average decrease of 1 percent for this sector. The larger year-to-year percentage increases for 1983 are in transportation and storage and utilities. Communications, oil and gas companies and pipelines record relatively weak spending plans. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of crown corporations.

Crown (public) corporations, which account for 60 percent of the total capital spending in Quebec (Table 10), are expecting to increase spending in 1983 by about 3 percent. Private sector spending in Quebec is expected to decrease by 7 percent in 1983. The level of spending for 1983 reported by public companies has decreased slightly (-0.3 percent) since the October 1982 Survey, while the current level reported by private companies is over 17 percent lower.

Companies headquartered in Quebec are more optimistic about prospects for 1984 than they are for 1983. This is particularly true with respect to Canadian sales and business conditions. In addition, profits and export sales are expected to show some improvement in 1984 (Table 38).

In April 1983, companies headquartered in Quebec had about \$0.9 billion of investments, which were not included in their reported spending plans but were nevertheless thought to hold high potential for introduction over the medium term (Table 14). Expected sales, cash flow and economic conditions were the factors that were most frequently mentioned as affecting the spending plans of these companies (Table 15). There has been a decrease in the frequency of response indicating the availability and cost of funds as having had a negative impact on investment plans.

Ontario (Tables 39-42)

Corporations with plant and equipment investments in Ontario reported in the April 1983 Survey that they expect their level of spending in 1983 to be \$7.5 billion, a decrease of 4 percent or \$300 million from the revised 1982 level (Table 39).

Investment spending in 1983 by the manufacturing sector in Ontario is expected to reach about \$2.3 billion, a decrease of 7 percent from the 1982 level. The transportation equipment, food and beverages and miscellaneous manufacturing sectors are recording year-to-year advances. Primary metals, chemicals, and forest products companies recorded decreases in the level of investment for 1983.

The 2 percent decrease in spending for 1983 by the non-manufacturing sector in Ontario is somewhat above the national average decrease of 1 percent for this sector. Oil and gas pipelines and communications companies are the contributors to the expected decrease in spending. In contrast, transportation and storage; trade, finance and other commercial; and oil and gas companies are expecting to increase spending in Ontario in 1983.

Private sector spending in Ontario for 1983 is expected to decline by 8.4 percent as compared with a 4.6 percent year-over-year increase in the public segment of the business sector (Table 41). Private sector spending on plant and equipment accounts for 61 percent of the total investment in Ontario for 1983 (Table 10). Revisions in investment intentions from the October 1982 Survey for 1983 by the public segment of the Survey panel amounted to a decrease of about \$330 million or 10.3 percent and a decrease of \$270 million (5.6 percent) for the private portion of the Survey panel.

Foreign majority-owned firms show about a 31 percent increase in spending in Ontario in 1983 while domestic majority-owned firms indicate a 13 percent decline (Table 40). Strength for 1983 in the foreign sector is centered in the manufacturing sector which records a 45 percent or \$450 million increase over 1982. In contrast, in the domestic majority-owned segment the spending plans of the manufacturing sector showed a 43 percent decline (\$624 million). The decrease is centred in primary metals and forest products.

Companies with headquarters in Ontario are more optimistic about profits and Canadian sales for 1984 than is expected for 1983 (Table 42). They are also more optimistic about domestic employment and export sales in 1984 as well as overall Canadian business conditions.

Capital investments of \$3.7 billion were not included in the capital spending plans of the Ontario-headquartered corporations but were thought to hold high potential for introduction over the next few years (Table 14). About two-thirds of this considered investment was reported by non-manufacturing firms, in particular, oil and gas companies and trade, finance and other commercial companies. The considered investments by manufacturing firms, are centered in primary metals and forest products.

In April 1983 expected economic conditions in Canada was the factor most often cited by companies with headquarters in Ontario as having a negative effect on spending plans (Table 15). Expected cash flow, government policies and domestic sales are also concerns.

Prairie Region (Tables 43-50)

Total capital spending in the Prairies in 1983 is now expected to be about \$8.5 billion, an increase of 0.8 percent from the revised 1982 level. This level represents a decrease of 10 percent or \$980 million from that expected for 1983 in October 1982 (Table 43). For 1983, spending in Alberta is expected to fall by 1 percent and in Manitoba by 8.2 percent. In contrast, spending in Saskatchewan is expected to increase some 12 percent in 1983. About 70 percent of the investment directed to the Prairies will be allocated to Alberta and as such it dominates the overall Prairie picture.

Manufacturing spending in the Prairies is expected to decline by 10 percent in 1983 due mainly to decreased spending by chemicals and primary metals companies which offset the increased spending reported by food and beverage companies (Table 43). Spending by manufacturing firms in Manitoba and Saskatchewan is expected to decline by 2.6 percent in 1983, while manufacturing spending in Alberta is expected to drop by 8.7 percent (Tables 44 and 45).

Total non-manufacturing spending in the Prairies of about \$8.2 billion for 1983 represents an advance of 1.4 percent over the revised 1982 level - this is in contrast to a percentage decrease (1 percent) expected for non-manufacturing in Canada as a whole (Table 43). For Alberta, non-manufacturing spending for 1983 was revised downward from October 1982 anticipations (by about 10 percent) and is now expected to decline by 0.6 percent over 1982 levels. All non-manufacturing sectors in Alberta, with the exception of communications and electric utilities, showed decreased levels of spending for 1983 from October 1982 projections (Table 45). Non-manufacturing spending in Manitoba and Saskatchewan combined is expected to advance by about 6 percent in 1983. This increase is due mainly to the planned spending by utilities and trade, finance and other commercial companies in both Saskatchewan and Manitoba.

Private sector spending in 1983 is declining by 3.9 percent in the Prairies as compared with a 16.9 percent advance for the public segment of the business sector. Since October 1982 the public or government sector in the Prairies has decreased its expected level of spending for 1983 by some 4 percent, which is somewhat less than the Canadian average of 6 percent. Private sector spending levels for 1983 show a 12 percent reduction from October expectations, (somewhat more than the Canada average) reflecting lower spending by mining and oil and gas companies (Table 47).

Domestic majority-owned firms are expecting an increase in their capital spending in the Prairies for 1983 of about 2 percent while foreign majority-owned firms' spending will decline by 1 percent in 1983 (Table 46). Since October 1982, domestic firms spending for 1983 in the Prairies have been reduced by some 6 percent while those of the foreign firms have decreased 16 percent.

Companies with headquarters in the Prairies are generally more optimistic about prospects for 1984 as compared with 1983, especially with respect to profits and Canadian business conditions (Table 50).

Capital investments of about \$6.1 billion were not included in the capital spending plans of the Prairie-headquartered companies but were thought to hold high potential for introduction over the medium term (Table 14). Most of this considered investment was reported by the oil and gas companies, however, there was some associated with mining and primary metal companies.

In April 1983, as was the case in October 1982, a dominant factor affecting capital spending plans were federal government

policies (Table 15). Economic conditions in Canada, cash flow, expected sales and cost of funds are continuing concerns.

British Columbia and Northern Region (Tables 51-54)

Spending for 1983 in the British Columbia and Northern region (including the Yukon and Northwest Territories) is expected to reach about \$3.9 billion. This current level of spending is about 11 percent below the revised 1982 level (\$4.3 billion). This current level of spending for 1983 also represents a \$0.6 billion (14 percent) reduction from October 1982 estimates (Table 51).

Investment in the manufacturing sector in this region is expected to be \$308 million in 1983, about a 55 percent reduction from 1982. Declines in forest products and primary metals more than offset increases in other areas.

Expected spending by non-manufacturing firms in the British Columbia and Northern region of \$3.5 billion for 1983 represents a drop of 3 percent from 1982 levels: somewhat above the national average decrease of 1 percent for this sector. Spending plans of the mining, communications, and trade, finance and other commercial companies account for most of this decrease. Pipelines expect to increase their level of spending in 1983.

Spending for 1983 by the private segment of the business sector on new plant and equipment is expected to decrease by 17.4 percent (Table 53). The public sector spending for 1983 is expected to increase by about 1.3 percent.

Foreign majority-owned firms investing in the British Columbia and Northern region are expected to decrease spending by about 5 percent in 1983, while a 14 percent drop is expected by domestic majority-owned firms. The year-to-year decrease for 1983 reported by the foreign segment in the British-Columbia region contrasts the advance expected for Canada by all foreign companies (Table 52).

Companies with headquarters in the British Columbia and Northern region show more optimism for prospects in 1984 than for 1983, especially with respect to Canadian business conditions, profits and domestic and export sales (Table 54).

The British Columbia and Northern-headquartered firms reported \$0.3 billion of capital investments which were not included in their reported budgets but were considered to hold high potential for implementation over the next few years (Table 14). This amount was concentrated mainly in manufacturing (primary metals and miscellaneous manufacturing firms).

Expected business conditions both in Canada and abroad were the factors most often mentioned as affecting spending plans by the firms in this region (Table 15). Expected sales abroad and cash flow are also concerns.

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA

(Current \$ Millions)

<u>Industry</u>	<u>1982</u> <u>Reported in</u> <u>Oct. 1982</u>	<u>1982</u> <u>Reported in</u> <u>April 1983</u>	<u>1983</u> <u>Reported in</u> <u>Oct. 1982</u>	<u>1983</u> <u>Reported in</u> <u>April 1983</u>
Food & Beverages	360.4	348.0	516.5	501.1
Forest Products	1,676.2	1,638.7	1,099.8	945.9
Primary Metals	1,153.3	1,056.9	1,018.7	728.6
Chemicals	805.4	601.6	671.5	447.9
Transportation Equip.	674.3	625.4	897.8	902.4
Other Manufacturing	1,239.0	1,195.3	1,392.2	1,215.7
<u>Total Manufacturing</u>	<u>5,908.6</u>	<u>5,465.9</u>	<u>5,596.5</u>	<u>4,741.6</u>
Mining Companies	1,830.8	1,720.3	1,854.3	1,521.2
Oil & Gas Companies	7,342.1	6,752.1	8,353.4	7,112.9
Oil & Gas Pipelines	2,110.5	2,391.1	1,624.6	1,642.6
Transp. & Storage	1,933.5	1,839.0	2,007.0	2,095.2
Communications	2,900.2	2,839.2	2,505.2	2,452.9
Electric Utilities	7,916.3	7,416.3	8,308.5	7,909.4
Trade, Finance and Other Commercial	1,169.1	1,061.6	1,265.3	1,088.9
<u>Total Non-Manufacturing</u>	<u>25,202.5</u>	<u>24,019.6</u>	<u>25,918.3</u>	<u>23,823.1</u>
<u>TOTAL</u>	<u>31,111.1</u>	<u>29,485.5</u>	<u>31,514.8</u>	<u>28,564.7</u>

* Only those firms which reported for the October 1982 and the April 1983 Surveys for the years 1982 and 1983 are used in this table, namely 274 firms.

TABLE 2

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA

<u>Industry</u>	(Current \$ Millions)		1983/82	
	Revisions		Year-to-Year	
	Between April 1983 & October 1982 Surveys (Percent Change)		(Percent Change)	
	<u>1982</u>	<u>1983</u>	<u>Reported in Oct. 1982</u>	<u>Reported in April 1983</u>
Food & Beverages	-3.5	-3.0	43.3	43.9
Forest Products	-2.3	-14.0	-34.4	-42.3
Primary Metals	-8.4	-28.5	-11.7	-31.1
Chemicals	-25.4	-33.3	-16.7	-25.6
Transportation Equip.	-7.3	0.5	33.1	44.2
Other Manufacturing	-3.6	-12.7	12.3	1.7
<u>Total Manufacturing</u>	<u>-7.5</u>	<u>-15.3</u>	<u>-5.3</u>	<u>-13.3</u>
Mining Companies	-6.1	-18.0	1.2	-11.6
Oil & Gas Companies	-8.1	-14.9	13.7	5.3
Oil & Gas Pipelines	13.2	1.1	-23.1	-31.4
Transportation & Storage	-4.9	4.3	3.8	13.9
Communications	-2.2	-2.1	-13.7	-13.7
Electric Utilities	-6.4	-4.9	4.9	6.6
Trade, Finance and Other Commercial	-9.2	-14.0	8.2	2.5
<u>Total Non-Manufacturing</u>	<u>-4.7</u>	<u>-8.1</u>	<u>2.8</u>	<u>-0.9</u>
<u>TOTAL</u>	<u>-5.3</u>	<u>-9.4</u>	<u>1.2</u>	<u>-3.2</u>

* Only those firms which reported for the October 1982 and April 1983 Surveys for the years 1982 and 1983 are used in this table, namely 274 firms.

TABLE 3

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA

(Constant 1982 \$ Millions)

	1982 Reported in <u>Oct. 1982</u>	1982 Reported in <u>April 1983</u>	1983 Reported in <u>Oct. 1982</u>	1983 Reported in <u>April 1983</u>
<u>Industry</u>				
Food & Beverages	360.4	348.0	468.6	457.0
Forest Products	1,676.2	1,638.7	1,003.0	867.0
Primary Metals	1,153.3	1,056.9	925.8	670.8
Chemicals	805.4	601.6	609.2	410.1
Transportation Equip.	674.3	625.4	833.8	847.5
Other Manufacturing	<u>1,239.0</u>	<u>1,195.3</u>	<u>1,273.3</u>	<u>1,127.9</u>
<u>Total Manufacturing</u>	<u>5,908.6</u>	<u>5,465.9</u>	<u>5,113.7</u>	<u>4,380.3</u>
Mining Companies	1,830.8	1,720.3	1,671.8	1,385.1
Oil & Gas Companies	7,342.1	6,752.1	7,541.2	6,487.6
Oil & Gas Pipelines	2,110.5	2,391.1	1,446.8	1,518.5
Transp. & Storage	1,933.5	1,839.0	1,834.2	1,923.1
Communications	2,900.2	2,839.2	2,297.2	2,257.3
Electric Utilities	7,916.3	7,416.3	7,462.3	7,115.6
Trade, Finance and Other Commercial	<u>1,169.1</u>	<u>1,061.6</u>	<u>1,140.6</u>	<u>997.1</u>
<u>Total Non-Manufacturing</u>	<u>25,202.5</u>	<u>24,019.6</u>	<u>23,394.1</u>	<u>21,684.3</u>
<u>TOTAL</u>	<u>31,111.1</u>	<u>29,485.5</u>	<u>28,507.8</u>	<u>26,064.6</u>

* Only those firms which reported for the October 1982 and April 1983 Surveys for the years 1982 and 1983 are used in this table, namely 274 firms.

TABLE 4

**CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES
FOR 1982 AND PLANS FOR 1983 -- CANADA**

(Constant 1982 \$ Millions)

<u>Industry</u>	Revisions Between April 1983 & October 1982 Surveys (Percent Change)		1983/82 Year-to-Year (Percent Change)	
	<u>1982</u>	<u>1983</u>	<u>Reported in October 1982</u>	<u>Reported in April 1983</u>
Food & Beverages	-3.5	-2.5	30.0	31.3
Forest Products	2.3	-13.6	-40.2	-47.1
Primary Metals	-8.4	-27.6	-19.8	-36.6
Chemicals	-25.4	-32.7	-24.4	-31.9
Transportation Equip.	-7.3	1.6	23.6	35.5
Other Manufacturing	-3.6	-11.5	2.7	-5.7
<u>Total Manufacturing</u>	<u>-7.5</u>	<u>-14.4</u>	<u>-13.5</u>	<u>-19.9</u>
Mining Companies	-6.1	-17.2	-8.7	-19.5
Oil & Gas Companies	-8.1	-14.0	2.7	-4.0
Oil & Gas Pipelines	13.2	4.9	-31.5	-36.5
Transp. & Storage	-4.9	4.8	-5.2	4.5
Communications	-2.2	-1.8	-20.8	-20.5
Electric Utilities	-6.4	-4.7	-5.8	-4.1
Trade, Finance and Other Commercial	-9.2	-12.6	-2.5	-6.1
<u>Total Non-Manufacturing</u>	<u>-4.7</u>	<u>-7.4</u>	<u>-7.2</u>	<u>-9.8</u>
<u>TOTAL</u>	<u>-5.3</u>	<u>-8.6</u>	<u>-8.4</u>	<u>-11.7</u>

* Only those firms which reported for the October 1982 and April 1983 Surveys for the years 1982 and 1983 are used in this table, namely 274 firms.

TABLE 5

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Current \$ Millions)

<u>Province</u>	<u>No. of Companies</u>	<u>1982 Reported in Oct. 1982</u>	<u>1982 Reported in - Apr. 1983</u>	<u>1983 Reported in Oct. 1982</u>	<u>1983 Reported in Apr. 1983</u>
Newfoundland	34	706.9	647.9	1,048.1	749.0
Prince Edward Island	10	16.5	14.3	12.8	13.7
Nova Scotia	43	745.9	905.7	885.5	878.3
New Brunswick	29	728.0	752.4	450.6	455.0
Atlantic Provinces	82	2,446.5	2,457.6	2,612.2	2,299.8
Quebec	126	5,140.8	4,880.1	5,229.0	4,810.4
Ontario	172	8,317.1	7,789.5	8,104.3	7,503.4
Manitoba	58	505.4	486.9	502.4	447.0
Saskatchewan	55	1,193.2	979.0	1,267.8	1,098.3
Alberta	108	6,569.3	5,988.8	6,782.8	5,930.3
Prairie Region	142	9,105.1	8,456.7	9,507.2	8,529.6
British Columbia	111	3,456.7	3,367.7	3,460.7	2,940.4
Yukon	5	13.4	10.9	9.4	9.8
Northwest Territories	18	876.2	864.3	935.9	815.0
B.C. and Northern	118	4,368.2	4,332.9	4,479.0	3,852.8
<u>CANADA</u>	<u>274</u>	<u>31,111.1</u>	<u>29,485.5</u>	<u>31,514.8</u>	<u>28,564.7</u>

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals will not necessarily add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 6

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Percent Changes)

<u>Province</u>	<u>Year-to-Year Percent Change</u>	<u>Between Survey Revisions</u>	
	<u>1983/82</u>	<u>1982</u>	<u>1983</u>
Newfoundland	15.6	-8.4	-28.6
Prince Edward Island	-4.2	-13.4	7.0
Nova Scotia	-3.1	21.4	-0.9
New Brunswick	-39.6	3.3	0.9
Atlantic Provinces	-6.5	0.4	-12.0
Quebec	-1.5	-5.1	-8.1
Ontario	-3.7	-6.4	-7.5
Manitoba	-8.2	-3.7	-11.1
Saskatchewan	12.1	-18.0	-13.4
Alberta	-1.0	-8.9	-12.6
Prairie Region	0.8	-7.2	-10.3
British Columbia	-12.7	-2.6	-15.1
Yukon	-10.1	-18.7	4.2
Northwest Territories	-5.8	-1.4	-13.0
B.C. & Northern	-11.1	-0.9	-14.0
<u>CANADA</u>	<u>-3.2</u>	<u>-5.3</u>	<u>-9.4</u>

Note: Actual 1982 and revised intentions 1983.

TABLE 7

COST ADJUSTMENT FACTORS 1982-1987

<u>Industry</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Food & Beverages	100.0	109.6	119.5	129.0	137.7	147.3
Forest Products	100.0	109.1	118.6	128.6	138.9	151.3
Primary Metals	100.0	108.6	118.2	129.7	142.6	154.6
Chemicals	100.0	109.2	119.2	130.6	143.0	156.3
Transportation Equipment	100.0	106.4	114.7	124.1	134.5	146.3
Other Manufacturing	100.0	107.8	115.4	123.0	131.9	141.0
<u>Total Manufacturing</u>	<u>100.0</u>	<u>108.2</u>	<u>117.5</u>	<u>127.7</u>	<u>138.4</u>	<u>149.6</u>
Mining Companies	100.0	109.8	120.6	131.0	139.5	149.6
Oil & Gas Companies	100.0	109.6	119.7	130.4	142.8	156.5
Oil & Gas Pipelines	100.0	108.1	115.9	125.0	134.4	143.5
Transportation & Storage	100.0	108.9	118.4	126.9	137.9	147.5
Communications	100.0	108.6	117.3	126.4	135.9	145.3
Electric Utilities	100.0	111.1	121.9	135.0	148.3	162.8
Trade, Finance & Other Commercial	100.0	109.2	117.6	125.8	135.2	144.1
<u>Total Non-Manufacturing</u>	<u>100.0</u>	<u>109.8</u>	<u>119.8</u>	<u>130.4</u>	<u>141.8</u>	<u>154.1</u>
<u>TOTAL BUSINESS</u>	<u>100.0</u>	<u>109.6</u>	<u>119.5</u>	<u>130.0</u>	<u>141.4</u>	<u>153.6</u>

TABLE 8

DISTRIBUTION OF CAPITAL INVESTMENT BY
DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	Domestic		Foreign	
	1982	1983	1982	1983
	(%)		(%)	
Atlantic	75	77	25	23
Quebec	89	85	11	15
Ontario	78	70	22	29
Prairies	62	63	38	37
B.C. & Northern	67	65	33	35
<u>CANADA</u>	<u>73</u>	<u>70</u>	<u>27</u>	<u>30</u>

TABLE 9

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change	Between Survey Revisions	
	1983/1982	1982	1983
	(%)	(%)	(%)
<u>Domestic Majority Owned</u>			
Atlantic	-3.8	1.5	-4.3
Quebec	-5.6	-5.0	-4.2
Ontario	-13.1	-5.2	-7.8
Prairies	2.0	-5.9	-6.3
B.C. & Northern	-14.2	1.2	-14.9
<u>CANADA</u>	<u>-6.4</u>	<u>-4.4</u>	<u>-6.6</u>
<u>Foreign Majority Owned</u>			
Atlantic	-14.7	-2.9	-30.9
Quebec	32.5	-6.5	-25.7
Ontario	30.6	-10.4	-6.6
Prairies	-1.1	-9.2	-16.3
B.C. & Northern	-4.8	-4.9	-12.4
<u>CANADA</u>	<u>5.5</u>	<u>-7.7</u>	<u>-15.5</u>

Note: Actual 1982 and revised intentions 1983.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1982-1983

DOMESTIC OWNED COMPANIES/FOREIGN OWNED COMPANIES

ALL INDUSTRIES

(Current \$ Millions)

<u>DOMESTIC</u>	<u>1982</u>	<u>1983</u>
Atlantic	1,847.4	1,778.8
Quebec	4,348.6	4,106.1
Ontario	6,114.7	5,314.8
Prairies	5,246.2	5,353.1
B.C. & Northern	2,924.6	2,511.3
<u>CANADA</u>	<u>21,478.3</u>	<u>20,109.6</u>
 <u>FOREIGN</u>		
Atlantic	610.2	521.0
Quebec	531.5	704.3
Ontario	1,674.8	2,188.6
Prairies	3,210.5	3,176.5
B.C. & Northern	1,408.3	1,341.5
<u>CANADA</u>	<u>8,007.2</u>	<u>8,455.1</u>

Note: (1) Actual 1982 and revised intentions 1983.

(2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 10

DISTRIBUTION OF CAPITAL INVESTMENT BY
PUBLIC AND PRIVATE FIRMS WITHIN REGIONS

	Public		Private	
	1982	1983	1982	1983
	%		%	
Atlantic	37	46	63	54
Quebec	57	60	43	40
Ontario	36	39	64	61
Prairies	22	26	78	74
B.C. & Northern	34	38	66	62
<u>CANADA</u>	<u>35</u>	<u>39</u>	<u>65</u>	<u>61</u>

TABLE 11

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Percent Change	Between Survey Revisions	
	1983/1982 (%)	1982 (%)	1983 (%)
<u>Public Majority Owned</u>			
Atlantic	16.1	-14.0	-11.9
Quebec	2.8	-8.4	-0.3
Ontario	4.6	-6.2	-10.3
Prairies	16.9	-13.9	-4.1
B.C. & Northern	1.3	0.9	-11.7
<u>CANADA</u>	<u>8.6</u>	<u>-8.4</u>	<u>-6.2</u>
<u>Private Majority Owned</u>			
Atlantic	-19.7	11.3	-12.1
Quebec	-7.2	-0.4	-17.5
Ontario	-8.4	-6.5	-5.6
Prairies	-3.9	-5.0	-12.3
B.C. & Northern	-17.4	-1.7	-15.4
<u>CANADA</u>	<u>-9.4</u>	<u>-3.5</u>	<u>-11.3</u>

Note: Actual 1982 and revised intentions 1983.

See Table 11.A for the dollar levels for 1982 and 1983.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1982-1983

PUBLIC COMPANIES/PRIVATE COMPANIES

ALL INDUSTRIES

(Current \$ Millions)

<u>PUBLIC</u>	<u>1982</u>	<u>1983</u>
Atlantic	907.7	1,054.5
Quebec	2,787.5	2,867.3
Ontario	2,782.9	2,913.4
Prairies	1,904.4	2,227.5
B.C. & Northern	1,459.2	1,479.1
<u>CANADA</u>	<u>10,193.5</u>	<u>11,076.4</u>
 <u>PRIVATE</u>		
Atlantic	1,549.9	1,245.3
Quebec	2,092.6	1,943.1
Ontario	5,006.6	4,590.0
Prairies	6,552.3	6,302.1
B.C. & Northern	2,873.7	2,373.7
<u>CANADA</u>	<u>19,292.0</u>	<u>17,488.3</u>

Note: (1) Actual 1982 and revised intentions 1983.

(2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to the matched Canada total. See Appendix point (1) for an explanation of "matching".

TABLE 12

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES 1982-1987

(Current \$ Millions)

<u>SURVEY/REGION</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>TOTAL</u>
<u>April 1983*</u>							
Atlantic (54)	1,720	1,833	1,997	2,282	2,572	2,720	13,124
Quebec (87)	4,247	4,233	4,143	3,989	3,671	3,739	24,022
Ontario (114)	3,868	3,888	3,777	4,209	4,024	4,073	23,839
Prairies (96)	6,849	7,087	7,260	7,048	7,129	7,718	43,091
B.C. & Northern (79)	3,845	3,331	3,654	3,533	3,533	3,501	21,397
<u>CANADA (198)</u>	<u>22,653</u>	<u>21,895</u>	<u>22,368</u>	<u>22,458</u>	<u>22,661</u>	<u>23,147</u>	<u>135,182</u>
<u>October 1982**</u>							
Atlantic (54)	1,753	2,121	2,288	2,499	2,759	2,910	14,330
Quebec (87)	4,553	4,496	4,093	3,879	3,780	3,928	24,729
Ontario (114)	4,095	4,191	3,956	4,171	4,258	4,379	25,050
Prairies (96)	7,342	7,922	7,928	8,316	8,494	8,706	48,708
B.C. & Northern (79)	3,889	3,914	4,372	4,474	4,852	5,483	26,984
<u>CANADA (198)</u>	<u>23,820</u>	<u>24,359</u>	<u>24,659</u>	<u>25,477</u>	<u>26,134</u>	<u>26,976</u>	<u>151,425</u>

Note: * Actual 1982 and revised intentions 1983-1987.

** Preliminary actual 1982 and intentions 1983-1987.

Only those firms which reported for the October 1982 and April 1983 Surveys for the years 1982-87 (each and every year) are used in this table, i.e. a matched panel. The number of reporting companies is provided in brackets after the name of the region. See Appendix, point (1) for explanation of "matching".

TABLE 13

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES

(Percent Changes)

Between Survey Revisions

	<u>1982-1983</u>	<u>1984-1987</u>	<u>1982-1987</u>
Atlantic	-8.3	-8.4	-8.4
Quebec	-6.2	-0.9	-2.9
Ontario	-6.4	-4.2	-4.8
Prairies	-8.7	-12.8	-11.5
B.C. & Northern	-8.0	-25.9	-20.7
<u>CANADA</u>	<u>-7.5</u>	<u>-12.2</u>	<u>-10.7</u>

TABLE 14

CONSIDERED INVESTMENT

Percent Distribution

<u>Companies with H.Q. in:</u>	<u>Manufacturing</u>	<u>Non-Manufacturing</u>	<u>Total</u>
Atlantic (4 of 15)	0.1	0.5	0.7
Quebec (3 of 39)	5.5	3.0	8.6
Ontario (26 of 135)	10.7	22.2	33.0
Prairies (11 of 54)	1.8	53.3	54.9
B.C. & Northern (7 of 31)	2.5	0.3	2.8
<u>All Companies (51 of 274)</u>	<u>20.7</u>	<u>79.3</u>	<u>100.0</u>
			(\$11,091)

Note: The number of reporting companies is provided in brackets.

Percentages may not add due to rounding.

TABLE 15

**FACTORS REPORTED AS AFFECTING CURRENT AND CONSIDERED
INVESTMENT SPENDING**

FACTOR/REGION OF H.Q.	(Frequency of Response)											
	ATLANTIC		QUEBEC		ONTARIO		PRAIRIES		B.C. & NORTHERN		TOTAL	
	082	A83	082	A83	082	A83	082	A83	082	A83	082	A83
Cdn. Fed. Gov't Policies	6	6	11	5	52	51	22	27	6	8	97	97
Other Cdn. Gov't Policies	3	3	4	5	21	22	9	13	4	3	41	46
Foreign Gov't Policies	-	-	2	3	6	10	4	6	2	1	14	20
Exchange Rates	1	1	3	3	12	12	4	5	5	5	25	26
Non-Tariff Barriers Canada	-	-	-	-	2	2	-	-	-	-	2	2
Cdn. Tariffs Too High	1	1	1	1	1	-	-	-	-	-	3	2
Cdn. Tariffs Too Low	-	-	-	-	6	1	-	1	-	-	6	2
Barriers Abroad	-	-	-	1	3	3	-	-	-	-	3	4
Other Trading Factors	-	-	1	1	6	2	1	2	-	-	8	5
Expected Cash Flow	4	4	15	10	49	50	18	20	16	10	102	94
Rates of Return	5	4	8	6	40	32	12	15	6	4	71	61
Other Internal Fin. Cond.	1	3	2	1	11	7	2	3	-	3	16	17
Cost of Funds	7	5	8	4	57	29	21	17	12	5	105	60
Availability of Funds	4	4	5	1	13	13	8	7	4	2	34	27
Other External Fin. Cond.	1	2	1	-	7	10	1	2	1	2	10	16
Other Fin. & Mon. Factors	1	-	-	-	10	2	3	2	-	-	14	4
Raw Material Shortages	1	-	1	-	4	3	2	-	1	-	9	3
Mach. & Equip. Shortages	-	-	-	-	1	1		1	-	-	1	2
Manpower Shortages	-	-	-	-	2	3	1	-	1	1	4	4
Labour Problems	-	-	-	2	8	4	4	2	2	2	14	10
Expected Sales in Canada	5	5	12	12	51	49	15	19	7	7	90	92
Expected Sales Abroad	2	2	13	8	33	30	9	21	11	10	68	71
Exp. Econ. Cond. in Canada	4	2	13	8	64	55	23	24	14	11	118	100
Exp. Econ. Cond. Abroad	3	2	7	4	28	24	8	14	13	13	59	57
Other Factors	1	2	-	2	2	4	-	3	-	-	3	11
<u>Sample Size</u>	<u>15</u>	<u>15</u>	<u>41</u>	<u>39</u>	<u>137</u>	<u>135</u>	<u>53</u>	<u>54</u>	<u>31</u>	<u>31</u>	<u>277</u>	<u>274</u>

082 = Oct. 1982 Survey

A83 = April 1983 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1982-87
AS REPORTED IN CURRENT DOLLARS FOR THE APRIL 1983 SURVEY

(1982 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Food & Beverages	258.0	100.0	147.2	145.3	128.4	128.2	120.7
Forest Products	995.1	100.0	52.1	81.2	126.0	117.1	115.3
Primary Metals	699.6	100.0	74.7	106.4	123.8	108.5	87.3
Chemicals	529.6	100.0	79.8	83.1	91.4	89.1	86.2
Transportation Equip.	346.9	100.0	94.6	78.4	96.1	97.4	107.3
Other Manufacturing	544.6	100.0	122.8	162.7	164.2	167.0	160.4
<u>Total Manufacturing</u>	<u>3,373.8</u>	<u>100.0</u>	<u>84.2</u>	<u>104.5</u>	<u>123.4</u>	<u>117.8</u>	<u>111.8</u>
Mining Companies	1,021.8	100.0	84.2	62.7	55.1	41.0	43.9
Oil & Gas Companies	6,489.0	100.0	104.7	110.8	113.1	123.3	128.0
Oil & Gas Pipelines	2,266.8	100.0	67.7	46.6	38.8	37.7	37.0
Transp. & Storage	1,507.0	100.0	113.5	113.0	111.0	128.1	108.5
Communications	2,762.8	100.0	86.3	90.8	102.4	110.3	115.0
Electric Utilities	4,652.3	100.0	111.5	106.7	90.9	80.6	92.9
Trade, Finance and Other Commercial	579.4	100.0	100.2	135.0	137.7	118.3	112.2
<u>Total Non-Manufacturing</u>	<u>19,279.1</u>	<u>100.0</u>	<u>98.8</u>	<u>97.7</u>	<u>94.9</u>	<u>96.9</u>	<u>100.5</u>
<u>TOTAL</u>	<u>22,652.9</u>	<u>100.0</u>	<u>96.7</u>	<u>98.7</u>	<u>99.1</u>	<u>100.0</u>	<u>102.2</u>

* Only those firms which reported for the October 1982 and the April 1983 Surveys for the years 1982-87 (each and every year) are used in this table, namely, 198 firms.

TABLE 17

**CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1982-87
AS REPORTED IN CURRENT DOLLARS FOR THE OCTOBER 1982 SURVEY**

(1982 = 100.0)

<u>Industry</u>	<u>Base Value</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Food & Beverages	272.1	100.0	147.9	122.7	113.9	117.5	118.2
Forest Products	1,026.2	100.0	64.5	109.3	136.2	112.9	106.7
Primary Metals	751.6	100.0	108.8	94.1	85.8	82.8	74.5
Chemicals	705.4	100.0	87.7	69.5	76.5	80.6	74.1
Transportation Equip.	360.4	100.0	75.3	77.1	80.9	94.6	93.6
Other Manufacturing	595.9	100.0	129.1	159.0	167.3	172.5	177.2
<u>Total Manufacturing</u>	<u>3,711.6</u>	<u>100.0</u>	<u>95.4</u>	<u>104.5</u>	<u>112.6</u>	<u>108.8</u>	<u>104.9</u>
Mining Companies	1,055.1	100.0	102.8	67.8	57.8	51.6	47.6
Oil & Gas Companies	6,990.0	100.0	113.4	118.7	125.5	140.4	144.0
Oil & Gas Pipelines	1,977.9	100.0	76.1	74.5	82.7	75.4	74.5
Transp. & Storage	1,569.5	100.0	109.5	108.1	109.9	124.2	104.1
Communications	2,824.4	100.0	86.4	90.1	111.3	120.0	128.9
Electric Utilities	5,049.9	100.0	106.5	102.8	91.6	82.8	98.9
Trade, Finance and Other Commercial	641.0	100.0	118.8	135.0	122.3	113.1	120.4
<u>Total Non-Manufacturing</u>	<u>20,107.9</u>	<u>100.0</u>	<u>103.5</u>	<u>103.3</u>	<u>105.9</u>	<u>109.9</u>	<u>114.8</u>
<u>TOTAL</u>	<u>23,819.5</u>	<u>100.0</u>	<u>102.3</u>	<u>103.5</u>	<u>107.0</u>	<u>109.7</u>	<u>113.3</u>

* Only those firms which reported for the October 1982 and April 1983 Surveys for the years 1982-87 (each and every year) are used in this table, namely, 198 firms.

TABLE 18

TYPES OF CHANGES IN PLANS

(Percent Distribution of Response)

<u>Type of Change</u>	<u>1982</u>	<u>1983</u>	<u>1984-1987</u>
Abandoned Plans	6.9	7.4	8.2
Deferred Plans	20.4	18.6	13.5
Reduced Existing Plans	20.7	22.6	16.2
Expanded Existing Plans	6.1	7.4	11.2
Introduced New Plans	4.4	7.4	6.5
Brought Forward Plans from Future Years	2.8	2.1	1.8
Re-introduced Deferred Plans	1.7	4.3	9.1
No Change in Plans	36.4	28.2	33.5
Not Specified	0.8	1.9	-
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Number of Responses	363	376	340
Number of Companies	255	254	233

Note: Totals may not add due to rounding.

TABLE 19

REASONS FOR CHANGES IN PLANS

1982

(Percent Distribution of Total Response)

<u>Reasons for Change</u>	<u>Upward Revisions</u>	<u>Downward Revisions</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	3.4	13.4	1.0	17.8
Market Demand - Foreign	0.4	7.7	0.4	8.5
Capacity	1.4	2.6	-	4.0
Rate of Return	1.4	4.7	-	6.1
Financing - External	0.4	5.1	-	5.5
Financing - Internal	0.6	4.9	0.2	5.7
Costs - Labour	1.0	0.4	0.2	1.6
Costs - Other	0.8	0.8	-	1.6
Strikes	-	1.0	-	1.0
Government Regulations	1.0	1.4	-	2.4
Better Estimates	10.3	14.8	1.2	26.3
Carry-overs	2.4	4.1	0.4	6.9
Other Reasons	2.2	4.1	0.2	6.5
Not Specified	1.2	2.0	3.2	6.4
TOTAL	<u>26.2</u>	<u>67.2</u>	<u>6.7</u>	<u>100.0</u>
Number of Responses	133	340	34	507
Number of Companies	72	156	27	255

Note: Totals may not add due to rounding.

TABLE 20

REASONS FOR CHANGES IN PLANS

1983

(Percent Distribution of Total Response)

<u>Reasons for Change</u>	<u>Upward Revisions</u>	<u>Downward Revisions</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	4.9	12.3	0.6	17.8
Market Demand - Foreign	2.3	7.6	-	9.9
Capacity	1.9	2.7	0.4	5.0
Rate of Return	1.7	3.2	0.4	5.3
Financing - External	1.3	4.4	-	5.7
Financing - Internal	0.6	9.1	0.2	9.9
Costs - Labour	0.4	0.9	-	1.3
Costs - Other	0.9	0.9	-	1.8
Strikes	-	0.4	-	0.4
Government Regulations	0.9	2.1	-	3.0
Better Estimates	6.5	11.2	0.6	18.3
Carry-overs	2.7	4.0	-	6.7
Other Reasons	2.5	3.0	0.2	5.7
Not Specified	1.3	1.3	6.6	9.2
TOTAL	<u>27.9</u>	<u>63.2</u>	<u>8.9</u>	<u>100.0</u>
Number of Responses	147	333	47	527
Number of Companies	75	139	40	254

Note: Totals may not add due to rounding.

TABLE 21

REASONS FOR CHANGES IN PLANS

1984 - 1987

(Percent Distribution of Total Responses)

<u>Reason for Change</u>	<u>Upward Revisions</u>	<u>Downward Revisions</u>	<u>No Change</u>	<u>Total</u>
Market Demand - Domestic	6.8	9.6	0.9	17.3
Market Demand - Foreign	2.2	5.7	0.2	8.1
Capacity	2.6	3.5	-	6.1
Rate of Return	2.4	3.1	0.4	5.9
Financing - External	2.6	3.1	-	5.7
Financing - Internal	0.7	6.8	-	7.5
Costs - Labour	-	0.2	-	0.2
Costs - Other	0.7	1.1	-	1.8
Strikes	-	-	-	-
Government Regulations	0.7	1.5	-	2.2
Better Estimates	8.1	10.1	0.7	18.9
Carry-overs	3.5	1.5	-	5.0
Other Reasons	3.1	3.3	0.4	6.8
Not Specified	2.0	2.4	10.1	14.5
TOTAL	<u>35.3</u>	<u>52.0</u>	<u>12.7</u>	<u>100.0</u>
Number of Responses	161	237	58	456
Number of Companies	78	102	53	233

Note: Totals may not add due to rounding.

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING — CANADA

1982

(Percent Distribution of Total Responses)

TYPES OF CHANGES

Reasons for Change	Abandoned			Deferred		Reduced		Expanded		New Plans		Brought Forward		Re-introduced Deferred Plans		No Change		Not Specified		Total	
Market Demand-Domestic	3.2			9.1		5.9		0.3		0.6		-		-		0.9		-		20.0	
Market Demand-Foreign	2.1			5.6		3.2		0.3		-		-		-		0.3		-		11.5	
Capacity	0.9			1.5		1.2		-		0.3		-		-		-		-		3.8	
Rate of Return	1.8			2.1		2.6		-		0.3		0.3		-		-		-		7.1	
Financing - External	1.8			3.5		1.8		-		0.3		-		-		0.3		-		7.6	
Financing - Internal	0.9			2.6		2.6		-		-		-		0.6		0.3		0.3		7.4	
Costs - Labour	-			0.3		-		-		-		-		-		0.3		-		0.6	
Costs - Other	-			0.3		-		0.3		-		-		0.6		-		-		1.2	
Strikes	0.3			0.6		0.3		-		-		-		-		0.3		-		1.5	
Government Regulations	0.6			1.2		0.3		-		-		-		-		-		-		2.1	
Better Estimates	-			1.5		5.0		0.6		-		-		-		15.0		-		22.1	
Carry-overs	-			1.2		4.7		-		-		-		-		-		0.3		6.2	
Other Reasons	0.3			1.8		1.8		-		-		-		-		2.4		-		6.2	
Not Specified	-			0.3		-		0.3		-		-		-		2.4		-		2.9	
TOTAL	11.8			31.5		29.4		1.8		1.5		0.3		1.2		22.1		0.6		100.0	

Number of Responses 340

Number of Companies 156

Note: Totals may not add due to rounding.

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING — CANADA

1982

(Percent Distribution of Total Responses)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand-Domestic	0.8	2.3	2.3	2.3	3.0	0.8	0.8	0.8	-	12.8
Market Demand-Foreign	-	0.8	0.8	-	-	-	-	-	-	1.5
Capacity	-	-	-	1.5	1.5	0.8	0.8	0.8	-	5.3
Rate of Return	0.8	0.8	0.8	-	1.5	1.5	-	-	-	5.3
Financing - External	-	-	-	1.5	-	-	-	-	-	1.5
Financing - Internal	-	1.5	-	-	0.8	-	-	-	-	2.3
Costs - Labour	-	-	-	0.8	1.5	0.8	-	0.8	-	3.8
Costs - Other	-	-	-	-	-	0.8	-	2.3	-	3.0
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	1.5	-	-	1.5	0.8	-	-	-	3.8
Better Estimates	0.8	-	0.8	6.0	1.5	0.8	0.8	28.6	-	39.1
Carry-overs	-	0.8	-	3.0	1.5	3.0	0.8	-	-	9.0
Other Reasons	-	-	-	2.3	1.5	0.8	1.5	2.3	-	8.3
Not Specified	-	-	-	0.8	-	-	-	3.8	-	4.5
TOTAL	2.3	7.5	4.5	18.0	14.3	9.8	4.5	39.1	-	100.0

Number of Responses 133

Number of Companies 72

Note: Totals may not add due to rounding.

TABLE 24

**TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING — CANADA**

1983

(Percent Distribution of Total Responses)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-Introduced		No Change	Not Specified	Total
							Deferred Plans	Forward			
Market Demand-Domestic	2.7	9.0	5.4	0.3	0.3	-	0.6	-	0.6	0.6	19.5
Market Demand-Foreign	1.8	5.1	3.9	0.6	0.3	-	-	-	-	0.3	12.0
Capacity	0.3	1.5	1.8	-	0.6	-	-	-	-	-	4.2
Rate of Return	1.5	1.8	1.2	-	0.3	-	-	-	-	0.3	5.1
Financing - External	1.5	2.4	1.8	0.3	-	-	0.3	-	0.3	0.3	6.9
Financing - Internal	3.3	5.1	5.4	0.3	-	-	0.3	-	-	-	14.4
Costs - Labour	-	0.3	0.3	-	-	-	0.3	-	0.6	-	1.5
Costs - Other	-	0.3	0.3	-	-	-	0.3	-	0.6	-	1.5
Strikes	-	0.3	0.3	-	-	-	-	-	-	-	0.6
Government Regulations	0.6	1.8	0.9	-	-	-	-	-	-	-	3.3
Better Estimates	-	1.8	6.9	0.6	0.6	-	0.3	-	6.9	0.6	17.7
Carry-overs	-	0.6	5.4	0.3	-	-	-	-	-	-	6.3
Other Reasons	-	1.8	2.1	-	-	-	-	-	0.6	0.3	4.8
Not Specified	0.3	-	-	-	0.3	-	-	-	1.5	-	2.1
TOTAL	12.0	31.8	35.7	2.4	2.4	-	2.1	-	11.1	2.4	100.0

Number of Responses 333

Number of Companies 139

Note: Totals may not add due to rounding.

TABLE 25

**TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA**

1983

(Percent Distribution of Total Responses)

TYPES OF CHANGES

Reasons for Change	TYPES OF CHANGES										Not Specified	Total
	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change				
Market Demand-Domestic	-	2.0	-	6.1	4.8	2.0	2.0	0.7	-	-	-	17.7
Market Demand-Foreign	0.7	1.4	0.7	0.7	1.4	1.4	1.4	-	0.7	-	0.7	8.2
Capacity	-	1.4	-	1.4	2.7	0.7	0.7	-	-	-	-	6.8
Rate of Return	-	1.4	-	1.4	1.4	0.7	1.4	-	-	-	-	6.1
Financing - External	-	-	1.4	0.7	-	0.7	1.4	0.7	-	-	-	4.8
Financing - Internal	-	-	-	-	-	0.7	0.7	0.7	-	-	-	2.0
Costs - Labour	-	-	-	0.7	-	-	-	0.7	-	-	-	1.4
Costs - Other	-	-	-	0.7	-	0.7	0.7	1.4	-	-	-	3.4
Strikes	-	-	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	-	-	0.7	2.0	-	0.7	-	-	-	-	3.4
Better Estimates	0.7	-	0.7	2.7	2.0	-	1.4	15.6	-	-	-	23.1
Carry-overs	-	0.7	1.4	4.1	0.7	0.7	1.4	0.7	-	-	-	9.5
Other Reasons	-	-	0.7	2.0	1.4	2.0	0.7	2.0	-	-	-	8.8
Not Specified	-	-	-	-	0.7	-	-	4.1	-	-	-	4.8
TOTAL	1.4	6.8	4.8	21.1	17.0	9.5	12.2	26.5	0.7	0.7	0.7	100.0

Number of Responses 147

Number of Companies 75

Note: Totals may not add due to rounding.

TABLE 26

**TYPES AND REASONS FOR DOWNWARD REVISIONS
IN CAPITAL SPENDING - CANADA**

1984 - 1987

(Percent Distribution of Total Responses)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Re-introduced			Not Specified	Total
						Brought Forward	Deferred Plans	No Change		
Market Demand-Domestic	3.8	6.8	5.5	-	-	0.4	1.3	0.8	-	18.6
Market Demand-Foreign	1.7	3.4	3.8	0.4	-	-	1.7	-	-	11.0
Capacity	1.3	2.1	2.1	0.4	-	-	0.4	0.4	-	6.8
Rate of Return	1.7	2.1	1.7	-	0.4	-	-	-	-	5.9
Financing - External	1.7	2.1	0.4	-	-	-	0.8	0.8	-	5.9
Financing - Internal	3.8	3.8	4.6	-	-	-	0.8	-	-	13.1
Costs - Labour	-	-	-	-	-	-	-	0.4	-	0.4
Costs - Others	-	-	-	0.4	-	0.4	0.4	0.8	-	2.1
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	0.8	1.3	-	-	-	0.8	-	-	3.0
Better Estimates	0.8	1.7	5.9	0.4	1.3	0.4	-	8.9	-	19.4
Carry-overs	-	0.4	1.3	1.3	-	-	-	-	-	3.0
Other Reasons	1.3	1.3	2.5	-	-	0.4	-	0.8	-	6.3
Not Specified	0.4	0.4	0.4	-	0.8	0.4	-	2.1	-	4.6
TOTAL	16.5	24.9	29.5	3.0	2.5	2.1	6.3	15.2	0.0	100.0

Number of Responses 237

Number of Companies 102

Note: Totals may not add due to rounding.

TABLE 27

**TYPES AND REASONS FOR UPWARD REVISIONS
IN CAPITAL SPENDING - CANADA**

1984 - 1987

(Percent Distribution of Total Responses)

TYPES OF CHANGES

Reasons for Change	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced		No Change	Not Specified	Total
							Deferred Plans	Forward			
Market Demand-Domestic	-	3.7	-	6.8	5.6	0.6	2.5	0.6	-	-	19.3
Market Demand-Foreign	-	1.2	-	3.1	0.6	0.6	0.6	0.6	-	-	6.2
Capacity	-	0.6	-	3.1	2.5	-	1.2	-	-	-	7.5
Rate of Return	1.2	0.6	1.2	0.6	0.6	-	2.5	-	-	-	6.8
Financing - External	-	0.6	0.6	2.5	1.2	0.6	1.9	0.6	-	-	7.5
Financing - Internal	-	0.6	0.6	-	-	-	0.6	-	-	-	1.9
Costs - Labour	-	-	-	-	-	-	-	-	-	-	0.0
Costs - Other	-	-	-	0.6	-	0.6	-	0.6	0.6	-	1.9
Strikes	-	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	-	-	1.2	0.6	-	-	-	-	-	1.9
Better Estimates	0.6	-	0.6	3.7	1.9	-	2.5	-	13.7	-	23.0
Carry-overs	-	-	1.2	6.2	-	-	2.5	-	-	-	9.9
Other Reasons	-	0.6	0.6	1.9	0.6	-	3.1	-	1.9	-	8.7
Not Specified	-	-	0.6	-	0.6	-	-	-	4.3	-	5.6
TOTAL	1.9	8.1	5.6	29.8	14.3	2.5	17.4	20.5	0.0	0.0	100.0

Number of Responses 161

Number of Companies 78

Note: Totals may not add due to rounding.

TABLE 28

TOTAL CAPITAL EXPENDITURES BY PURPOSE

	Number of Reporting Companies	1982 (\$ Millions)	1983
Research and Development	81	289.8	320.8
Pollution Abatement	89	442.7	458.7
Working Environment	84	142.4	119.6
Expansion of Facilities - Existing Sites	158	9,029.3	8,210.1
Upgrading & Replacement of Existing Facilities	225	4,316.1	4,499.4
Expansion of Facilities - New Sites	95	8,666.6	8,813.8
Other	74	2,583.5	3,061.5
<u>TOTAL</u>	<u>260*</u>	<u>25,470.4</u>	<u>25,483.9</u>

Note: Actual 1982 and revised intentions 1983.

* As one company may allocate its investment expenditures to various purpose categories, this number is not the sum of the column.

TABLE 29

TOTAL CAPITAL EXPENDITURES BY PURPOSE

(Percent Distribution* of Total)

	Manufacturing		Non- Manufacturing		Total	
	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>
Research and Development	2.4	3.7	0.9	0.8	1.1	1.3
Pollution Abatement	4.9	4.6	1.1	1.3	1.7	1.8
Working Environment	2.3	2.1	0.2	0.2	0.6	0.5
Expansion of Facilities - Existing Sites	26.3	19.4	37.4	34.7	35.5	32.2
Upgrading & Replacement of Existing Facilities	40.5	40.5	11.9	13.3	16.9	17.7
Expansion of Facilities - New Sites	11.0	9.3	38.9	39.4	34.0	34.6
Other	12.6	20.4	9.6	10.4	10.1	12.0
<u>TOTAL</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

* Percentages may not add up to 100% due to rounding.

TABLE 30

CAPITAL EXPENDITURES BY PURPOSE

1983/1982

(Year-to-Year Percent Change in Level of Spending)

	<u>Manufacturing</u>	<u>Non- Manufacturing</u>	<u>Total</u>
Research and Development	43.4	-8.4	10.6
Pollution Abatement	-13.3	20.1	3.6
Working Environment	-15.1	-18.4	-16.1
Expansion of Facilities - Existing Sites	-32.4	-5.7	-9.1
Upgrading & Replacement of Existing Facilities	-8.3	13.2	4.2
Expansion of Facilities - New Sites	-22.2	3.1	1.6
Other	48.3	10.2	18.5
<u>TOTAL</u>	<u>-8.2</u>	<u>1.7</u>	<u>0.0</u>

* The year-to-year changes in total investment here are different from those reported in Table 2. This is due to differences in coverage.

TABLE 31
CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983

	<u>ATLANTIC REGION</u>			
	<u>(Current \$ Millions)</u>			
	1982	1983	Year-to-Year Percent Change 1983/1982	Between Survey Revisions (%) 1982 1983
Manufacturing	503 (5,466)	338 (4,742)	-32.8 (-13.3)	1.9 (-7.5) 0.1 (-15.3)
Non-Manufacturing	1,955 (24,020)	1,961 (23,823)	0.3 (-0.9)	1.0 (-4.7) -13.8 (-8.1)
<u>TOTAL</u>	2,458 (29,486)	2,300 (28,565)	-6.5 (-3.2)	0.4 (-5.3) -12.0 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1983/1982</u>		<u>1982</u>	<u>1983</u>
	(%)		(%)	
<u>Foreign Majority Owned</u>				
Manufacturing	-49.3	(19.5)	-1.8 (-12.0)	-11.6 (-16.3)
Non-Manufacturing	-1.0	(0.1)	-3.3 (-5.8)	-33.8 (-15.1)
TOTAL	-14.7	(5.5)	-2.9 (-7.7)	-30.9 (-15.5)
<u>Domestic Majority Owned</u>				
Manufacturing	-24.1	(-36.4)	-2.0 (-4.1)	5.0 (-14.0)
Non-Manufacturing	0.7	(-1.2)	2.3 (-4.4)	-5.7 (-5.7)
TOTAL	-3.8	(-6.4)	1.5 (-4.4)	-4.3 (-6.6)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 33

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Percent Change		Between Survey Revisions			
	<u>1983/1982</u>		<u>1982</u>		<u>1983</u>	
	(%)		(%)			
Total Government <u>Majority Owned</u>	16.1	(8.6)	-14.0	(-8.4)	-11.9	(-6.2)
Total Private <u>Majority Owned</u>	-19.7	(-9.4)	11.3	(-3.5)	-12.1	(-11.3)
Manufacturing	-43.4	(-10.9)	1.2	(-7.3)	-9.0	(-15.6)
Non-Manufacturing	-8.8	(-8.9)	16.8	(-2.1)	-12.9	(-9.8)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 34

EXPECTATIONS FOR 1983 AND 1984
BY COMPANIES HEADQUARTERED IN THE ATLANTIC REGION*

(Percent Distribution of Response)

	1983/82			1984/83		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	53.3 (54.4)	20.0 (24.0)	26.6 (21.5)	86.6 (70.8)	6.6 (19.3)	6.6 (9.8)
Export Sales	60.0 (46.8)	20.0 (30.2)	20.0 (22.9)	70.0 (58.6)	10.0 (28.4)	20.0 (12.9)
Profits	53.3 (50.0)	13.3 (18.6)	33.3 (31.3)	60.0 (67.6)	20.0 (18.5)	20.0 (13.7)
Corporate Employment in Canada	13.3 (14.9)	40.0 (39.4)	46.6 (45.6)	33.3 (28.3)	40.0 (55.5)	26.6 (16.1)
Corporate Financial Conditions	40.0 (40.5)	33.3 (35.0)	26.6 (24.4)	53.3 (54.7)	33.3 (35.7)	13.3 (9.4)
Canadian Business Conditions	28.5 (38.9)	28.5 (31.6)	42.8 (29.4)	78.5 (67.6)	21.4 (26.1)	0.0 (6.1)
Foreign Investment Climate	40.0 (33.0)	40.0 (46.1)	20.0 (20.7)	40.0 (45.3)	40.0 (50.0)	20.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 15 firms in the Survey panel with headquarters in the Atlantic Region.

TABLE 35
CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983

	<u>QUEBEC REGION</u>			
	<u>(Current \$ Millions)</u>			
	1982	1983	Year-to-Year Percent Change 1983/1982	Between Survey Revisions (%) 1982 1983
Manufacturing	880 (5,466)	1,002 (4,742)	13.9 (-13.3)	-8.9 (-7.5) -15.0 (-15.3)
Non-Manufacturing	4,001 (24,020)	3,809 (23,823)	-4.9 (-0.9)	-4.2 (-4.7) -6.0 (-8.1)
<u>TOTAL</u>	4,880 (29,486)	4,810 (28,565)	-1.5 (-3.2)	-5.1 (-5.3) -8.1 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

Totals may not add due to rounding.

TABLE 36

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1983/1982</u>		<u>1982</u>	<u>1983</u>
	(%)		(%)	
<u>Foreign Majority Owned</u>				
Manufacturing	69.9	(19.5)	-12.9 (-12.0)	-26.7 (-16.3)
Non-Manufacturing	-5.5	(0.1)	1.2 (-5.8)	-23.9 (-15.1)
<u>TOTAL</u>	32.5	(5.5)	-6.5 (-7.7)	-25.7 (-15.5)
<u>Domestic Majority Owned</u>				
Manufacturing	+10.6	(-36.4)	-7.0 (-4.1)	-2.1 (-14.0)
Non-Manufacturing	-4.8	(-1.2)	-4.6 (-4.4)	-4.5 (-5.7)
<u>TOTAL</u>	-5.6	(-6.4)	-5.0 (-4.4)	-4.2 (-6.6)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 37

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Percent Change		Between Survey Revisions			
	<u>1983/1982</u>		<u>1982</u>		<u>1983</u>	
	(%)		(%)			
<u>Total Government Majority Owned</u>	2.8	(8.6)	-8.4	(-8.4)	-0.3	(-6.2)
<u>Total Private Majority Owned</u>	-7.2	(-9.4)	-0.4	(-3.5)	-17.5	(-11.3)
Manufacturing	26.5	(-10.9)	-9.2	(-7.3)	-13.4	(-15.6)
Non-Manufacturing	-26.5	(-8.9)	5.5	(-2.1)	-21.2	(-9.8)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 38

EXPECTATIONS FOR 1983 AND 1984
BY COMPANIES HEADQUARTERED IN THE QUEBEC REGION*

(Percent Distribution of Response)

	1983/82			1984/83		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	45.4 (54.4)	18.1 (24.0)	36.3 (21.5)	75.0 (70.8)	15.6 (19.3)	9.3 (9.8)
Export Sales	42.3 (46.8)	23.0 (30.2)	34.6 (22.9)	56.0 (58.6)	32.0 (28.4)	12.0 (12.9)
Profits	45.4 (50.0)	15.1 (18.6)	39.3 (31.3)	65.6 (67.6)	21.8 (18.5)	12.5 (13.7)
Corporate Employment in Canada	9.0 (14.9)	27.2 (39.4)	63.6 (45.6)	21.8 (28.3)	50.0 (55.5)	28.1 (16.1)
Corporate Financial Conditions	31.0 (40.5)	41.3 (35.0)	27.5 (24.4)	46.4 (54.7)	42.8 (35.7)	10.7 (9.4)
Canadian Business Conditions	35.7 (38.9)	25.0 (31.6)	39.2 (29.4)	67.8 (67.6)	28.5 (26.1)	3.5 (6.1)
Foreign Investment Climate	17.6 (33.0)	52.9 (46.1)	29.4 (20.7)	23.5 (45.3)	70.5 (50.0)	5.8 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 39 firms in the Survey panel with headquarters in the Quebec Region.

TABLE 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983

ONTARIO REGION

(Current \$ Millions)

	1982	1983	Year-to-Year Percent Change	Between Survey Revisions (%)	
				1982	1983
Manufacturing	2,446 (5,466)	2,273 (4,742)	-7.1 (-13.3)	-5.8 (-7.5)	-5.2 (-15.3)
Non-Manufacturing	5,344 (24,020)	5,231 (23,823)	-2.2 (-0.9)	-6.6 (-4.7)	-8.4 (-8.1)
<u>TOTAL</u>	7,790 (29,486)	7,503 (28,565)	-3.7 (-3.2)	-6.4 (-5.3)	-7.5 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 40

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1983/1982</u>		<u>1982</u>	<u>1983</u>
	(%)		(%)	
<u>Foreign Majority Owned</u>				
Manufacturing	45.2	(19.5)	-7.8 (-12.0)	-2.8 (-16.3)
Non-Manufacturing	9.2	(0.1)	-14.0 (-5.8)	-13.3 (-15.1)
<u>TOTAL</u>	30.6	(5.5)	-10.4 (-7.7)	-6.6 (-15.5)
<u>Domestic Majority Owned</u>				
Manufacturing	-43.2	(-36.4)	-4.4 (-4.1)	-9.3 (-14.0)
Non-Manufacturing	-3.8	(-1.2)	-5.5 (-4.4)	-7.5 (-5.7)
<u>TOTAL</u>	-13.1	(-6.4)	-5.2 (-4.4)	-7.8 (-6.6)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 41

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO REGION

	Year-to-Year Percent Change		Between Survey Revisions			
	<u>1983/1982</u>		<u>1982</u>		<u>1983</u>	
	(%)		(%)		(%)	
<u>Total Government Majority Owned</u>	4.6	(8.6)	-6.2	(-8.4)	-10.3	(-6.2)
<u>Total Private Majority Owned</u>	-8.4	(-9.4)	-6.5	(-3.5)	-5.6	(-11.3)
Manufacturing	-1.6	(-10.9)	-5.6	(-7.3)	-4.3	(-15.6)
Non-Manufacturing	-13.6	(-8.9)	-7.2	(-2.1)	-6.7	(-9.8)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 42

**EXPECTATIONS FOR 1983 AND 1984
BY COMPANIES HEADQUARTERED IN THE ONTARIO REGION***

(Percent Distribution of Response)

	1983/82			1984/83		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	58.7 (54.4)	22.8 (24.0)	18.4 (21.5)	72.3 (70.8)	18.7 (19.3)	8.9 (9.8)
Export Sales	48.9 (46.8)	34.0 (30.2)	17.0 (22.9)	57.1 (58.6)	31.8 (28.4)	10.9 (12.9)
Profits	54.5 (50.0)	19.0 (18.6)	26.3 (31.3)	76.6 (67.6)	13.0 (18.5)	10.2 (13.7)
Corporate Employment in Canada	15.0 (14.9)	38.9 (39.4)	46.0 (45.6)	31.1 (28.3)	49.5 (55.5)	19.2 (16.1)
Corporate Financial Conditions	47.3 (40.5)	33.3 (35.0)	19.2 (24.4)	60.9 (54.7)	30.9 (35.7)	8.1 (9.4)
Canadian Business Conditions	43.6 (38.9)	30.0 (31.6)	26.3 (29.4)	72.3 (67.6)	20.9 (26.1)	6.6 (6.1)
Foreign Investment Climate	41.2 (33.0)	39.6 (46.1)	19.0 (20.7)	51.6 (45.3)	46.6 (50.0)	1.6 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 135 firms in the Survey panel with headquarters in the Ontario Region.

TABLE 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983

PRAIRIE REGION

(Current \$ Millions)

	Year-to-Year Percent Change		Between Survey Revisions (%)	
	1982	1983	1982	1983
Manufacturing	396 (5,466)	355 (4,742)	-31.9 (-7.5)	-42.2 (-15.3)
Non-Manufacturing	8,061 (24,020)	8,175 (23,823)	-5.5 (-4.7)	-8.1 (-8.1)
<u>TOTAL</u>	8,457 (29,486)	8,530 (28,565)	-7.2 (-5.3)	-10.3 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983

MANITOBA & SASKATCHEWAN

(Current \$ Millions)

	Year-to-Year Percent Change		Between Survey Revisions (%)	
	1982	1983	1982	1983
Manufacturing	66 (5,466)	65 (4,742)	4.7 (-7.5)	-12.2 (-15.3)
Non-Manufacturing	1,400 (24,020)	1,481 (23,823)	-14.4 (-4.7)	-12.7 (-8.1)
<u>TOTAL</u>	1,466 (29,486)	1,545 (28,565)	-13.7 (-5.3)	-12.7 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983

ALBERTA

(Current \$ Millions)

	Year-to-Year Percent Change		Between Survey Revisions (%)	
	1982	1983	1982	1983
Manufacturing	290 (5,466)	265 (4,742)	-38.3 (-7.5)	-44.7 (-15.3)
Non-Manufacturing	5,699 (24,020)	5,665 (23,823)	-6.6 (-4.7)	-10.2 (-8.1)
<u>TOTAL</u>	5,989 (29,486)	5,930 (28,565)	-8.9 (-5.3)	-12.6 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 46

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1983/1982</u>		<u>1982</u>	<u>1983</u>
	(%)		(%)	
<u>Foreign Majority Owned</u>				
Manufacturing	-2.2	(19.5)	-51.9 (-12.0)	-57.8 (-16.0)
Non-Manufacturing	-1.0	(0.1)	-4.4 (-5.8)	-11.5 (-15.0)
<u>TOTAL</u>	-1.1	(5.5)	-9.2 (-7.7)	-16.3 (-15.0)
<u>Domestic Majority Owned</u>				
Manufacturing	-16.6	(-36.4)	-0.5 (-4.1)	-14.1 (-14.0)
Non-Manufacturing	2.8	(-1.2)	-6.1 (-4.4)	-6.0 (-5.0)
<u>TOTAL</u>	2.0	(-6.4)	-5.9 (-4.4)	-6.3 (-6.0)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 47

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Percent Change	Between Survey Revisions			
		1982		1983	
	1983/1982 (%)				
<u>Total Government Majority Owned</u>	16.9 (8.6)	-13.9	(-8.4)	-4.1	(-6.2)
<u>Total Private Majority Owned</u>	-3.9 (-9.4)	-5.0	(-3.5)	-12.3	(-11.3)
Manufacturing	-10.7 (-10.9)	-32.6	(-7.3)	-43.1	(-15.6)
Non-Manufacturing	-3.4 (-8.9)	-2.5	(-2.1)	-9.5	(-9.8)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 48

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Percent Change	Between Survey Revisions	
	<u>1983/1982</u>	<u>1982</u>	<u>1983</u>
	(%)		(%)
<u>Foreign Majority Owned</u>			
Manufacturing	1.7 (-19.5)	-57.4 (-12.0)	-61.7 (-16.3)
Non-Manufacturing	-1.5 (0.1)	-3.7 (-5.8)	-10.4 (-15.1)
<u>TOTAL</u>	-1.3 (5.5)	-8.9 (-7.7)	-15.7 (-15.5)
<u>Domestic Majority Owned</u>			
Manufacturing	-17.7 (-36.4)	1.3 (-4.1)	6.1 (-14.0)
Non-Manufacturing	0.2 (-1.2)	-9.4 (-4.4)	-10.0 (-5.7)
<u>TOTAL</u>	-0.7 (-6.4)	-8.9 (-4.4)	-9.4 (-6.6)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 49

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Percent Change		Between Survey Revisions			
	<u>1983/1982</u> (%)		<u>1982</u> (%)		<u>1983</u> (%)	
<u>Total Government Majority Owned</u>	12.4	(8.6)	-13.1	(-8.4)	4.6	(-6.2)
<u>Total Private Majority Owned</u>	-3.6	(-9.4)	-8.0	(-3.5)	-15.7	(-11.3)
Manufacturing	-8.7	(-10.9)	-38.3	(-7.3)	-44.7	(-15.6)
Non-Manufacturing	-3.3	(-8.9)	-5.2	(-2.1)	-13.1	(-9.8)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 50

EXPECTATIONS FOR 1983 AND 1984
BY COMPANIES HEADQUARTERED IN THE PRAIRIE REGION*

(Percent Distribution of Response)

	1983/82			1984/83		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	48.9 (54.4)	31.9 (24.0)	19.1 (21.5)	56.5 (70.8)	30.4 (19.3)	13.0 (9.8)
Export Sales	38.2 (46.8)	26.4 (30.2)	35.2 (22.9)	45.4 (58.6)	39.3 (28.4)	15.1 (12.9)
Profits	37.5 (50.0)	18.7 (18.6)	43.7 (31.3)	45.8 (67.6)	35.4 (18.5)	18.7 (13.7)
Corporate Employment in Canada	14.2 (14.9)	44.8 (39.4)	40.8 (45.6)	16.3 (28.3)	77.5 (55.5)	6.1 (16.1)
Corporate Financial Conditions	24.4 (40.5)	40.8 (35.0)	34.6 (24.4)	30.6 (54.7)	59.1 (35.7)	10.2 (9.4)
Canadian Business Conditions	26.5 (38.9)	36.7 (31.6)	36.7 (29.4)	46.9 (67.6)	44.8 (26.1)	8.1 (6.1)
Foreign Investment Climate	24.1 (33.0)	51.7 (46.1)	24.1 (20.7)	36.6 (45.3)	53.3 (50.0)	10.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 54 firms in the Survey panel with headquarters in the Prairie Region.

TABLE 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1982-1983B.C. AND NORTHERN REGION

(Current \$ Millions)

	1982	1983	Year-to-Year Percent Change	Between Survey Revisions (%)	
				1982	1983
Manufacturing	677 (5,466)	308 (4,742)	-54.6 (-13.3)	-3.2 (-7.5)	-39.6 (-15.3)
Non-Manufacturing	3,656 (24,020)	3,545 (23,823)	-3.1 (-0.9)	-0.4 (-4.7)	-10.8 (-8.1)
<u>TOTAL</u>	4,333 (29,486)	3,853 (28,565)	-11.1 (-3.2)	-0.9 (-5.3)	-14.0 (-9.4)

Note: Actual 1982 and revised intentions 1983.

These are dollar amounts reported for the years 1982-83 from the April 1983 Survey by firms who reported in both the October 1982 and April 1983 Surveys of Capital Investment.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 52

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	B.C. AND NORTHERN REGION			
	Year-to-Year Percent Change		Between Survey Revisions	
	<u>1983/1982</u>		<u>1982</u>	<u>1983</u>
	(%)		(%)	
<u>Foreign Majority Owned</u>				
Manufacturing	-23.3	(19.5)	-4.6 (-12.0)	-11.1 (-16.3)
Non-Manufacturing	-3.1	(0.1)	-4.9 (-5.8)	-12.4 (-15.1)
<u>TOTAL</u>	-4.8	(5.5)	-4.9 (-7.7)	-12.4 (-15.5)
<u>Domestic Majority Owned</u>				
Manufacturing	-61.3	(-36.4)	-2.9 (-4.1)	-46.8 (-14.0)
Non-Manufacturing	-3.1	(-1.2)	2.2 (-4.4)	-9.8 (-5.7)
<u>TOTAL</u>	-14.2	(-6.4)	1.2 (-4.4)	-14.9 (-6.6)

Note: Actual 1982 and revised Intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 53

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Percent Change	Between Survey Revisions			
		1982		1983	
	1983/1982 (%)				
<u>Total Government Majority Owned</u>	1.3 (8.6)	0.9	(-8.4)	-11.7	(-6.2)
<u>Total Private Majority Owned</u>	-17.4 (-9.4)	-1.7	(-3.5)	-15.4	(-11.3)
Manufacturing	-54.6 (-10.9)	-3.2	(-7.3)	-39.6	(-15.6)
Non-Manufacturing	-6.0 (-8.9)	-1.3	(-2.1)	-10.0	(-9.8)

Note: Actual 1982 and revised intentions 1983.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 54

EXPECTATIONS FOR 1983 AND 1984
BY COMPANIES HEADQUARTERED IN THE B.C. AND NORTHERN REGION*

(Percent Distribution of Response)

	1983/82			1984/83		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	59.2 (54.4)	25.9 (24.0)	14.8 (21.5)	77.7 (70.8)	14.8 (19.3)	7.4 (9.8)
Export Sales	51.8 (46.8)	33.3 (30.2)	14.8 (22.9)	80.7 (58.6)	7.6 (28.4)	11.5 (12.9)
Profits	58.6 (50.0)	24.1 (18.6)	17.2 (31.3)	79.3 (67.6)	6.8 (18.5)	13.7 (13.7)
Corporate Employment in Canada	23.3 (14.9)	43.3 (39.4)	33.3 (45.6)	43.3 (28.3)	53.3 (55.5)	3.3 (16.1)
Corporate Financial Conditions	50.0 (40.5)	26.6 (35.0)	23.3 (24.4)	80.0 (54.7)	10.0 (35.7)	10.0 (9.4)
Canadian Business Conditions	50.0 (38.9)	36.6 (31.6)	13.3 (29.4)	80.0 (67.6)	13.3 (26.1)	6.6 (6.1)
Foreign Investment Climate	31.2 (33.0)	56.2 (46.1)	12.5 (20.7)	62.5 (45.3)	37.5 (50.0)	0.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 31 firms in the Survey panel with headquarters in the B.C. and Northern Region.

APPENDIX

- APPENDIX -

Survey of Business Capital Investment -

Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data to avoid the variation in the number of firms reporting in each year and in different surveys. Matching allows one to make consistent comparisons, since only the data for those companies which have reported in the last two surveys for specified years, e.g., 1982 and 1983 are used. This is referred to as a 2 survey - 2 year matched panel.

The above system of matching is applied separately for each of the investment categories specified on a regional table. Hence it is clear that the regional totals obtained on a matched sample basis will not necessarily add to the matched Canada total.

2) The problem of companies in the Survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	<u>1982</u>	<u>1983</u>
	(Current \$ Billions)	(Current \$ Billions)
Totals as per Table 1	29.49	28.56
Amounts reported by region		
Atlantic	2.46	2.30
Quebec	4.88	4.81
Ontario	7.79	7.50
Prairies	8.46	8.53
B.C. & Northern Region	4.33	3.83
Unallocated Region*	<u>0.96</u>	<u>0.99</u>
TOTAL	<u>28.88</u>	<u>27.96</u>
Difference between totals	0.61	0.60
Portion of difference explained by "matching"	0.23	0.29
Portion of difference explained by non-response	0.38	0.31

Note: Actual 1982 and revised intentions 1983.

* Includes investment which was not specifically allocated to a particular region because it was uncertain which province or region it would take place in; and expenditures on movable machinery and equipment which are not allocated to a specific region, i.e., rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than on an establishment basis would definitely affect the sectoral breakdown of both the regional and Canada distribution, i.e., whether outlays were categorized as coming under manufacturing, resource industries, etc. Therefore, the IT&C/REE sectoral coverage cannot be properly related to the Statistics Canada Private and Public Investment in Canada Survey (PPI) because investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's mainline of business.

4) The following table provides a breakdown of the number of companies reporting to the IT&C/REE Survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the Survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>CANADA</u>
Mfg.	39	81	115	62	56	151
Non-Mfg.	43	45	57	80	62	123
TOTAL	82	126	172	142	118	274

